

## URGENT TALKS IN SYRIA OVER FRANJIEH'S FATE

By ANAN SAFADI  
POST Middle East Affairs Correspondent

The fate of Lebanese President Franjeh as well as the future of the various rival factions in Lebanon was the subject of urgent talks in Damascus yesterday between President Hafiz Assad and the Syrian military commander, Brig-Gen. Aziz Abidat.

The 90-man Lebanese Parliament yesterday could not muster more

than 26 deputies for an emergency session scheduled to discuss the statement resulting from President Franjeh's refusal to bow to threats to step down.

A Beirut radio station speaking for Abidat's military junta yesterday said that political efforts, presumably in Damascus, were now being made with the aim of finding a "judicial way" for the resignation of Franjeh whose six-year term ends next September.

Indications were that the Lebanese politicians were seeking a face-saving formula by suggesting a voluntary resignation by Franjeh preparatory to naming a new president.

The pro-Abidat radio warned that unless such a formula is outlined "within a very short time," the armed forces rallying behind the coup would take military steps to force Franjeh out of the office. "Over my dead body," has been the reply from the 65-year-old president, now hoisting his position by increasing Christian military and public support in face of the Moslem-supported Brig. Abidat.

The Syrians were yesterday reported to have deployed elements from the Damascus-sponsored Palestine Liberation Army as well as of their Sa'aka sabotage organization in the vicinity of Lebanon's presidential palace to prevent an assault by rebel army forces. The Syrians were seeking to avoid a showdown between the rebels and some 1,200 loyal Christian troops now guarding Franjeh's residence.

Earlier yesterday, rebel forces were said to have pulled within artillery range of the presidential palace. These units reportedly belong to dissident Lt. Ahmed Khatib who has rallied his two-month-old breakaway "Lebanese Arab army" behind Brig. Abidat's military. Khatib told newsmen that he and his forces had fired one artillery shell at the palace early yesterday "just as a warning... To make Franjeh's knees quiver."

Meanwhile, the supporters of the rival camps yesterday traded rocket fire as well as carrying out kidnappings in Beirut and other areas. Some 50 persons were reported to have been killed in the past two days.

Unidentified gunmen yesterday set free about 800 convicts after storming Lebanon's third largest prison in Beirut. The convicts were all serving sentences for crimes ranging from theft and murder to operating private armed syndicates.

## Lebanese woman crosses border to give birth

By YORAM HAMZARAH  
AND DAVID SLAV  
Jerusalem Post Reporters

STULLA. — A Lebanese Maronite Christian woman in labour, Aryan Ranki, 31, crossed into Israel yesterday and was transferred immediately by military ambulance to the Elav Government Hospital in Tel Aviv. She gave birth to a son at the hospital. Mother and son were reported to be doing well.

Another Lebanese woman, unidentified, also reportedly crossed the border yesterday. It also was said that several wounded or ill Lebanese have asked permission to cross, but it was not known whether they had been admitted.

Meanwhile, the Maronite Christian family of seven which sought refuge last Friday received a three-month permit to stay in Israel. They are receiving medical examinations. They are staying in a G. A. village.

According to Dan Levanon, chairman of the Upper Galilee Regional Council, the recent events in Lebanon have not affected life in the area. "Farm work goes on as usual," he told delegates of border settlements yesterday. "The resort places are getting plenty of reservations for Pessah and spring."

At the same time, Levanon, of Kibbutz Kfar Blum, asked for help to ease the settlement's burden of guard duty along with daily work in the fields. He said that the settlements are cooperating fully with the IDF.

The IDF has reportedly strengthened security measures along the frontier and is keeping a close watch on the situation in Lebanon. All necessary arrangements to assure security in the area and to defend the settlements have been undertaken.

## Egyptians may ban facilities for Soviets

AIRO. — The Soviet navy is likely to lose harbour facilities in Egypt following President Sadat's decision to cancel the 1971 friendship and cooperation treaty with Moscow, Egyptian sources said yesterday.

They emphasized that no decision on the withdrawal of naval facilities was granted to the Russians but it has been made but said such a step is likely, logical, and expected to be taken soon.

A big Soviet naval base at the Mediterranean port of Mersa Matruh was closed after the expulsion of some 20,000 Soviet military advisers in 1972 — but the Kremlin's ships continued bunkering at Alexandria.

## Troops quell riots on the West Bank

By ANAN SAFADI  
POST Middle East Affairs Correspondent

Security forces yesterday used tear gas against rioting Arab youths in the Old City of Jerusalem while troops spread throughout the West Bank to quell one of the worst uses of unrest there since 1967.

The riots were the latest in the chain of Arab protests against Jewish prayers at the Temple Mount, site of the mosque of al-Aksa, and Jewish settlement in Jerusalem and Samaria. These protests have been aggravated by violent student demonstrations and the subsequent resignation of a number of West Bank mayors.

Defence Minister Shimon Peres yesterday cautioned several West Bank mayors that the Army "would not hesitate to act vigorously in the face of any disturbances of public law and order."

Nabbus mayor Haj Ma'azous al-Masri had earlier told newsmen that he had no intention of altering his position over the resignation unless the authorities issued an unequivocal ban on Jewish prayers at the Temple Mount and barred Jewish settlements on the West Bank.

Just before driving to Tel Aviv with his deputy, Adel Shaka, and a military escort, Haj Ma'ari said that he was not going to yield to pressure, noting: "I am not an employee of the Minister." Ma'ari said that he intended to tell the Defence Minister that the crux of the West Bank problem was "the continued occupation to which I object."

Other West Bank leaders yesterday appealed to the local populace to restore normal life, especially in schools, from which students stayed away in several parts of Judea and Samaria. Students there yesterday set up roadblocks in various West Bank towns and burned tyres, but their attempts to stage demonstrations were foiled.

Nevertheless, the focus of disturbances yesterday shifted to the Old City of Jerusalem where hundreds of youngsters swarmed over the Temple Mount hurling rocks until security forces dispersed them. At the Damascus Gate, however, security forces had to charge with clubs and use tear gas to disperse another violent demonstration. Eight youths were detained.

A curfew which was imposed on Ramallah and el-Bireh on Monday following street riots was lifted yesterday afternoon for two hours to enable local inhabitants to shop for food. Soldiers patrolled these two towns all day yesterday, while occasionally firing in the air. When asked by a newsmen why troops were shooting, an officer curtly said, "Because..." and then ordered correspondents to leave.

(See photo — page 2)

## Histadrut seeks Barkai compromise

By JOSHUA BRILLIANT  
Jerusalem Post Reporter

TEL AVIV. — Histadrut leaders are considering a proposal whereby civil servants who receive specific allowances would continue to get them until wage increases given to those government employees who do not receive the allowance allow them to catch up.

This proposal contradicts the Barkai Committee recommendations to cut the allowance by half in April and the rest in October. Leaders of the 40,000 civil servants who have not received the allowance said yesterday they were planning "action" against the new proposal.

The Histadrut Trade Union Department had suggested a maximum wage increase of four per cent this year. Labour Federation sources said the increase should be given only to civil servants who are not receiving the allowance. Those who do not receive the allowance would be able to catch up with the 7.7 per cent of government employees who receive specific allowances. The process would continue until all differences are erased.

According to one senior Histadrut source, the process could be speeded up if the increase in the cost-of-living allowance were given only to those who do not receive specific allowances. But Secretary-General Yerham Meshel and other Histadrut leaders rejected this proposal.

"The main thing is to cancel the allowance," Shmuel Zetelzy, a Trade Union Department leader, told The Jerusalem Post. "How it will be done is secondary, but we must choose a way that will soften the blow," he said.

Leaders of the civil servants who have not received the allowance yesterday reiterated their claim that the Civil Servants Union "betrayed" them by rejecting the Barkai Committee report. Arnon Ronen and Shmuel Kliner leaders of the "have nots" said the gap between those who receive the allowance and those who don't will always remain.

## Iraq admits killing Aaronson

THE HAGUE. — Holland yesterday recalled its envoy from Baghdad for consultations and summoned the Iraqi charge d'affaires here to protest against the execution in Baghdad of a Dutch-born Jew on charges of spying for Israel.

A Foreign Ministry spokesman here said the Dutch Government had summoned the Iraqi diplomat to express Holland's "deep shock and horror" about the execution of Alexander Aaronson, and also to express its profound indignation and perplexity at the fact that although Aaronson had been executed three months ago, Iraqi authorities always said he was still alive.

"This is an unparalleled attitude, which far exceeds borders of what is proper in normal diplomatic intercourse," the Foreign Ministry spokesman said.

Aaronson, 40, a male nurse, was reported to have been arrested by Iraqi security forces last March in a Kurdish area of northern Iraq, and convicted of spying for Israel by a revolutionary tribunal in October.

When the Dutch Foreign Ministry asked the Iraqi charge d'affaires why he had not informed the Dutch of Aaronson's death, despite their enquiries, the Iraqi replied that Aaronson was Israeli and the Dutch authorities had no standing in the matter. Iraq claimed that Aaronson emigrated to Israel in the 1950s,

changing his name to Alexander Haroun in 1954. However, Aaronson's stepbrother, Abraham Bert, said in an interview in The Jerusalem Post last November that his stepbrother had only visited Israel once, in 1953, and had certainly never served in the IDF.

The Dutch Foreign Ministry spokesman said yesterday that the recall of the Dutch charge d'affaires did not mean that diplomatic relations between the countries were being broken off.

The Iraqis officially admitted to Aaronson's death on Monday night, when the Iraqi charge d'affaires in The Hague telephoned to Aaronson.

## Gamasy to France for arms talks

By JACK MAURICE  
Jerusalem Post Correspondent

PARIS. — Arms talks between Egypt and France will move into top gear this weekend when Egyptian Defence Minister General Abdel Ghani Gamasy arrives here for a week-long visit.

Gamasy, who is also vice-premier, will meet senior French defence officials and aircraft industry executives, particularly at the Dassault-Breguet firm.

His visit comes one week after a tour of French air bases by Marshal Shaker Abdel Monem, commander in chief of the Egyptian Air Force. Monem watched Mirage planes in flight at Colmar air force base in the Vosges mountains and at the air force flight test centre at Istres, near Marseilles.

Mirage III and Mirage F-1 fighters powered by SNECMA Atar 9K-50 engines. It is also keen to obtain lower-thrust Atar 9C power plants to re-engine its 250 Soviet Mig-21s following Moscow's reduction of military aid and of replacements for aging weaponry supplied to Egypt before the Yom Kippur War.

Britain's Rolls-Royce firm recently declined an offer to install the Spey jet engine, which powers Royal Air Force Phantoms and British Airways Trident airliners, on the Mig-21 in France.

Egyptian pilots have recently test-flown the Mirage III. They have also flown the Dassault-Dornier Alpha-jet trainer. French aviation officials say Egypt is likely to order 120 Alpha jets in preference to Britain's Hawk-Siddeley Hawk.

France's chief arms salesman, Jean Laurens-Delpech, has made a number of visits to Cairo recently to discuss the possibility of French help for the national arms industry which Egypt hopes to establish in order to supply its own forces and those of other Arab countries.

Dassault, SNECMA and the Thomson-CSF radar firm are keen to go into partnership with Egypt on this project, which would enable the Egyptians to make sub-assemblies and also perform final assembly of aircraft on their own territory.

French officials believe the Egyptians might eventually build the Mirage-2000 Delta aircraft, which will not be ready for the French Air Force until the 1980s.

## UK stunned by Wilson's resignation

LONDON. — Prime Minister Harold Wilson, leader of four British governments in nearly eight years in office, shocked his party and the nation yesterday by announcing that he intends to resign. Wilson, who is Britain's longest serving peacetime premier in the 20th century, drove alone to Buckingham Palace and told Queen Elizabeth he will go as soon as the Labour party finds a successor.

Cledwyn Hughes, chairman of the 315 Labour party Members of Parliament, said they will vote today for a new leader on Monday and the result of the first ballot will be announced on Thursday of next week. Under Labour party rules each Labourite M.P. casts one vote in a secret ballot for the party leader.

To win election outright on the first ballot, one candidate must get at least 50 per cent of votes. If he fails to do so, a series of runoffs must be held until one wins more than 50 per cent.

Members of Parliament, astonished by the announcement, which many of them did not at first believe, crowded into the House of Commons where Opposition Conservative leader Margaret Thatcher called for a general election to "resolve the uncertainty."

But Wilson rejected this and made it clear he expects Labour to continue ruling. He revealed he had planned for a long time to resign and had told the Queen last December that he would quit this March. Wilson was 60 last Thursday.

As the Labour party met last night to discuss the election of a new leader, who will automatically become Prime Minister, the favourite candidate to emerge was Foreign Secretary James Callaghan.

Wilson said in a statement that he had been party leader for 13 exciting and turbulent years, in Parliament 31 years, with 11 years in the Cabinet. He added: "No one should ask for more. I have a clear duty to the country and to Parliament not to remain here so long that others are denied the chance to seek election to this post," he went on.

He was sure the new administration would be equally determined to combat inflation and maintain Britain's commitment to its allies and

to the European Common Market. Wilson said he had chosen a good moment to resign because the present government, elected in 1974, was at the "turn of the hinge" — the weeks that follow will be a crucial time in the hammering out of the next phase of the anti-inflation policy.

He claimed that the nation had accepted his previous years' policy in which trade unions have kept wage increases to within 10 per cent. A new agreement was now due.

There were fears, however, that Wilson was needed to maintain the unity of the Labour party in which a powerful leftwing group regards the government's harsh anti-inflation policies as a betrayal of Socialism.

Opposition Conservatives were claiming that Wilson was going because he could not control "the Marxist wing of the party."

But Wilson insisted in his statement that the Labour party has a strong team from which to choose a premier.

Smiling, lighting and re-lighting his pipe, he told a press conference the idea that a person was indispensable was "harmful to democracy." He also asserted — and his doctor confirmed — that he was in good health and he apologized to reporters for shocking them because of the fact that his plan to resign had never leaked out.

(See Britain's — Page 4)

## EXTRA FUNDING APPROVED

WASHINGTON. — The Senate Appropriations sub-committee on Foreign Operations yesterday approved by voice vote the issues of extra funding for Israel and other countries during the transitional quarter.

The House appropriations bill, approved last week, did not include the extra foreign assistance during the quarter, running from July 1 through September 30. For Israel, the issue is of vital importance because, if the extra aid is appropriated, Israel may become eligible to receive as much as \$500m. extra in economic and military aid. Israel is already due to receive about \$2,200m. in the pending bill.

## Allon's word of support

One of the first people to speak to Mr. Wilson after news of his retirement became public was Foreign Minister Yigal Allon, an old friend of the British leader. Mr. Allon telephoned Downing Street from Jerusalem to offer a word of support to Wilson.

Only on Monday, reports from London had said Premier Wilson was considering retiring, and had been pleased each time Wilson had delayed the decision.

He hoped that Wilson would be able to devote more time now to the Socialist International, which needed leadership of his calibre and stature.

Interviewed by the BBC last night, Mr. Allon said Wilson had "always been considered, and always been, a staunch friend of Israel." He said Wilson had proved this "in many ways," citing the British leader's efforts on behalf of Soviet Jewry.

## K hails Sadat's policy

By WOLF BLITZER  
Jerusalem Post Correspondent

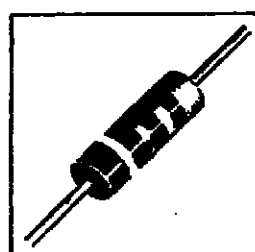
WASHINGTON. — Secretary of State Henry Kissinger yesterday suggested that policies taken by Egyptian President Sadat since the end of the 1973 Yom Kippur War may have "gravely weakened it" and ended the Soviet connection with Egypt.

Kissinger, responding to questions posed by Senator Clifford Case (R-N.J.), ranking minority member on the committee and a strong supporter of Israel, defended the Administration's decision to sell Egypt six C-130 military transport planes. But he reiterated that the Administration "at this moment" has not made any other decisions regarding additional arms sales to Egypt beyond the C-130 deal.

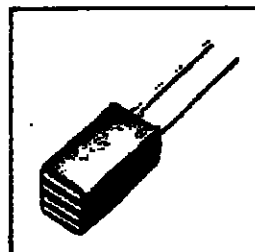
Testifying before the Senate Foreign Relations Committee, the Secretary praised Sadat's "courage and statesmanship" in moving away from the Soviet camp "without asking anything" from the U.S. "in return for it."

Without referring specifically to Sadat's latest decision to terminate

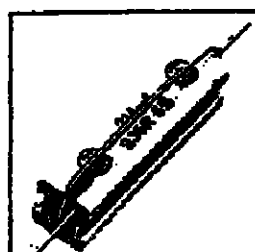
## JUST ARRIVED VITROHM-RESISTORS



Resistors, high and low power ratings. Horizontal and vertical resistors, and specials for printed circuits. Normal and high accuracy types.



METALFILM, WIREWOUND CARBON, METAL GLAZE



Sales to plants and institutions are from stock. Orders accepted for direct import.

SOLE AGENTS

KDM ELECTRONICS LTD.

21 Rehov Tchernichowsky  
Tel. 03-58232/3/4, P.O.B. 4770, Tel Aviv

BAZAAR TODAY

Working Mothers Organization

Dozens of stalls, bargains and surprises.

Picnic coldboxes, pillowslips, non-iron American tablecloths, towels; host of vivid colours.

Art gallery.

For the children — Peter Pan show.

In the evening — "Who's Afraid of Marriage" (play).

Beit Mahayal, Tel Aviv. 10 a.m.-10 p.m.

## Kreisky 'ready to recognize PLO'

KUWAIT. — Austrian Chancellor Bruno Kreisky said in a television interview yesterday his government was prepared to recognize the Palestine Liberation Organization as the representative of the Palestinian people.

"Many European Socialist parties share this view while the attitudes of others are still in doubt," he said. "But I personally believe that the time will come soon when the PLO will be recognized as the official representative of the Palestinian people."

Kreisky, who is on a Gulf tour, said he had met with PLO representatives during his visit to Kuwait.

## Tourists! DUTY AND TAX FREE

30% reduction

WOMEN'S & MEN'S

SUEDE & LEATHER WEAR

Leather handbags department. The leader of mode and leather.

SCHNEIDMAN

Tel Aviv, 26 KNEVOT ZAMENHOFF, (near 20 King George St.) Tel. 236965.

\* Kibbutz Ayot Hashahar.



Shalom STORES

Family Shopping Eve!

Shalom Stores and the Supermarket

are Open Tonight

and every Wednesday TILL 9 p.m.

Surprises, Spot Sales

Don't Miss

Shalom Mayer Tower, Tel Aviv, Tel. 52131







# Haifa police claim they have broken abattoir meat racket

By YA'ACOV ARDON

**Jerusalem Post Reporter**  
HAIFA. — The police have broken up a meat racket in the municipal slaughterhouse here that has been going on for years. This follows charges of corruption and mismanagement at the slaughterhouse.  
On March 8 the police, called in by deputy mayor Dr. Yonah Engel (Likud), arrested five men, among them two members of the staff committee, who have since been remanded in court.  
It took the police only a month to bring charges of meat theft to court.  
One of the arrested men was alleged to have been found with 15 kg. of meat.  
A wholesaler gave evidence to the police that he had been forced by the slaughterhouse workers to pay them bribes to obtain the supplies he needed. The magistrate agreed to extend the remand on Monday when the police prosecutor explained that there was ground to fear the suspects would interfere with the questioning of further witnesses.  
The police say that further arrests are imminent.  
The evidence includes 58 documents confiscated during a court-authorized search.  
At a session of the city executive on Monday it was decided to "take

strong action against all slaughterhouse employees, including slaughterers who continue to help themselves to meat there. As the city hall spokesman put it in a press release, the executive regarded "the situation as intolerable and will not hesitate to close the slaughterhouse entirely if this practice is not stopped."  
He quoted Mayor Zetzel as observing that "the Haifa slaughterhouse serves the entire north, without the Government offering any help in renewing the equipment, in reconditioning and operating it."  
What the city hall spokesman did not mention was that the slaughterhouse racket has been going on for years and was brought to the attention of the city council first in September 1974 by councillor Gideon Tzabar (Likud). He warned that meat was not only being stolen by some of the employees there, but was snatched before a veterinarian had examined its fitness for human consumption. The meat was then sold to restaurants.  
Also, the thieves often put the meat into their lockers, where contamination was more than a possibility. This exposed the public to dangers without any interference by the authorities.  
Councillor Tzabar also protested against the alleged atmosphere of

threats and violence at the slaughterhouse, and against what he called the unsatisfactory transport arrangements of the meat distributors.  
Finally, he said that many of the staff worked only 24 hours a week, and were paid for imaginary overtime.  
These charges impressed Mayor Yosef Almog sufficiently for him to call in an efficiency expert, Noah Cohen, to investigate these charges and other matters. Cohen's report was unequivocal, and confirmed Councillor Tzabar's findings and recommended reforms.  
The report alleged that workers took from IL100 to IL150 worth of meat from every animal slaughtered.  
The efficiency expert, a man with wide experience in the U.S. and here, is expected to be "released" by the city hall, as the man who engaged him, Yosef Almog, is no longer mayor.  
At the city executive meeting on Monday, Mayor Zetzel said that the current trouble at the municipal slaughterhouse made it desirable either to sell or to close it. Deputy mayor Dr. Engel and others, among them Councillor Tzabar, said it should be maintained as a municipal service that was self-financing, but should be reorganized.



Professor Shimon Gitter

## Malraz gets new chief

By SARAH HONIG

**Jerusalem Post Reporter**  
TEL AVIV. — Malraz, the public council for the prevention of noise and air pollution, has a new chairman, Professor Shimon Gitter, former dean of the Tel Aviv University School of Medicine, and now head of its Physiology and Pharmacology Department.  
Prof. Gitter replaces Knesset member Boaz Moav, who was acting head of Malraz during the past year but could not continue because of his Knesset duties. Prof. Gitter was elected by the Malraz executive.  
He said he would try to make Malraz more independent of government financing by obtaining more of its funds from the public. He hopes in this way to get the public more involved in the work Malraz is doing, as well as freeing the organization of government influence.  
Among the projects the new chairman plans is the establishment of counselling bureaux which would advise the public on how to combat air and noise pollution, both practically and legally. Information campaigns on the importance of safeguarding the environment will be carried out among youth as well as adults.  
Malraz, according to Dr. Gitter, will support the fullest utilization of the country's resources, with the stipulation that this is done without damaging the environment.

## A-G probing book by Israeli

The Attorney-General's office told the High Court yesterday that it is looking into whether there are grounds for prosecuting Hebrew University chemistry professor Yisrael Shabak over his recent book "The Racism of the State of Israel." The court was meeting on an application from a Bar-Ilan University student Haim Stengler, who said he had received no answer from the Attorney-General to a four-month-old request that Dr. Shabak be brought to trial.  
The student said the French-language book, through its claims that Israel had set up "concentration camps" and that its soldiers behaved like Nazis, constituted libel against the public.  
Answering for the State, Miriam Naor of the State Attorney's office said that as a result of many complaints the book had been translated into Hebrew for study of whether it did constitute an offence and whether it would be in the public interest to try Shabak. She promised that an answer would be given in three months, whereupon the student withdrew his application. (Jtm)

## 18 more industries for Migdal Ha'emek

**Jerusalem Post Reporter**  
MIGDAL HA'EMEK. — Eighteen industrial enterprises are in the process of building in Galle. When completed each will begin operation with an initial staff of about 60, to grow as the plant is run in. Last year seven plants were completed, and employ a total of 800 workers.

## Senior Jerusalem police officer fined IL400—cleared on two counts

A police disciplinary court yesterday cleared the suspended head of the Special Branch in Jerusalem on two counts and convicted him on six others. The court found that the nature of the offences committed by Rav-Pakad Yehuda Segalovich did not warrant a severe sentence and he was fined IL400. The court also took account of his past record.  
The verdict is subject to the approval of the Police Inspector-General, who must also rule on the question of reinstatement.  
Superintendent Segalovich was acquitted of the charge of having relations with a prostitute, and of the charge of destroying the cover of a placard by giving it to a private citizen by exploiting his position as a police officer.  
On two other counts, the court found he had given misleading evidence in connection with cheques returned by his bank — "clearly with the intention of obstructing the investigation."  
On the question of his relations with the prostitute, Tikva Levy, Segalovich was given the benefit of the doubt.  
Presiding over the court, Talmizav Zeev Margalit said: "We were persuaded that the Jerusalem Special Branch had good reasons for maintaining a work relationship with Miss Levy." The court said it believed the testimony of two policemen who said Tikva Levy told them she had had sexual relations with Segalovich. But doubts had

arisen over Miss Levy's testimony and it was decided to refrain from conviction on the basis of her statement.  
As to the lift he gave an undercover policewoman, the court said it had been shown there were no standing instructions regulating behaviour in this respect. The decision in each case was thus that of the man responsible in the field — in this case Segalovich.  
Appearing as a character witness, the chief of operations in national police headquarters, Nitzav Haim Tavori, praised Segalovich as a policeman of superior calibre who had introduced successful innovations in the Special Branch.  
Before sentence was handed down, the prosecutor, Sgan-Nitzav Shimon Rosenbaum, asked that the court take into account the severity of the offences in view of the superintendent's official position.  
But the defence counsel, Nitzav-Mahne Avraham Turgeman, said the suffering of Segalovich and his family for the past three months had constituted punishment enough.  
"Ead the Minister and the Inspector-General know what the ultimate outcome would be, it is almost certain he would not have been suspended in the first place," he claimed further that Segalovich had been convicted on technical counts only.  
Speaking on his own behalf, Segalovich said he had been hounded by the press in an unprecedented manner. "I know what I felt when I was suspended. I see myself as continuing to serve in the police force."  
In its judgement, the court said a severe sentence was not called for in view of the nature of the offences and in view of the superintendent's record. (Jtm)

**YOUR interRent CAR WILL BE WAITING IN FRONT OF YOUR HOTEL**  
That is the kind of service you'll get from Israel's largest rent-a-car net. 23 rental stations all over the country. PLEASE CALL HEAD OFFICE TEL 789180, 787564, 795111 Tel Aviv.

## Group leaves for U.S. series of education talks

Jerusalem Post Reporter

A group of Hebrew University professors left for the U.S. yesterday to take part in discussions on major educational issues to be held at four leading American schools of education.  
A highlight of the programme will be a discussion between Education Minister Aharon Yadin and U.S. Commissioner of Education Terrell H. Bell at the University of Chicago on April 5. Mr. Yadin, accompanied by his special adviser, Dr. Dan Ronen, will leave for the U.S. later this month.

The educational meetings will be on the overall theme: "Educational Research and Policy: A U.S.-Israel Exchange." They have been organized by the National Council of Jewish Women in cooperation with the Hebrew University and education departments at the universities of Harvard, Columbia, Chicago and the University of California at Los Angeles. The meetings will take place from March 24 to April 9.  
The Hebrew University group includes Professors Seymour Fox, Zeev Klahn, Nathan Rotenstreich, Ozer Schild and Avraham Minkovitz.

## Six U.S. college presidents here

The former U.S. Secretary of Housing and Urban Development in the Johnson Administration, Robert Wood, heads a group of six American university presidents who arrived in Israel yesterday for a ten-day visit. They will be guests of the Hebrew University.  
In addition to Mr. Wood who is the president of the University of Massachusetts, the group includes President Thomas C. Bonner of Union College in Schenectady, N.Y.; Chancellor Lisle C. Carter, Jr. of Atlanta University Centre, Atlanta, Georgia; Chancellor James A. Norton of the Ohio Board of Regents, Columbus, Ohio; President Marjorie D. Wagner of California State College at Sonoma; and President Edward W. Weidner of the University of Wisconsin.

Yesterday they were also received by the President of Israel, Prof. Ephraim Katzir, and dined at the Israel Museum with Jerusalem Mayor Teddy Kollek.

## Officer remanded in bribes case

Jerusalem Post Reporter

TEL AVIV. — A permanent army officer who served as a clerk in a purchasing mission in the U.S. was remanded by a military court for 15 days yesterday on suspicion of receiving bribes.

Dror Benjamin has been under investigation by the frauds division of the police, which has been investigating his connection with a garage owner and an IDF vehicle examiner, who have also been arrested on bribery allegations.

Benjamin was a vehicle examiner with the purchasing mission in the U.S. When suspicious against him first arose, he was sent back to Israel.

## Druse appointed to Golan authority

Jerusalem Post Reporter

MAJDEEL SHAMS. — The director of the Druse religious courts in Haifa, Advocate Zaki Kamah, has been appointed officer in charge of religious affairs at the Military Government of the Golan, the first non-Jewish officer there.

He succeeds Nissim Dana, director of the Druse section of the Ministry for Religious Affairs, who is studying abroad.

Mr. Zaki said his duties covered all religious concerns of the Druse community on the Golan, among them the preservation of sacred sites.

The seat of the local religious court is at Mass'ada.



Jerusalem Police special branch chief, Yehuda Segalovich, right, suspended three months ago, consults with his defence counsel, Nitzav-Mahne Avraham Turgeman, during a break in the hearings of a police disciplinary court yesterday. (Rahamin Yisraeli)

## Registering pupils for schools begins tomorrow

By ERNIE MEYER

**Jerusalem Post Reporter**  
The Education Ministry yesterday announced a series of changes and improvements in the registration of pupils for elementary schools, which begins tomorrow. Efforts to further social integration are behind many of the changes.  
From now on local councils will be able to include city or township areas in school registration districts even if these areas are not adjacent. The only provision is that the distance between the various parts of one registration district be not too great. As a corollary to this regulation, local authorities may also decide to have more than one school of the same type (State, State Religious) in one district. The assignment of pupils to one of these equivalent schools in the same district is to be made according to considerations of educational policy, health, family circumstances and the date of the pupil's registration.  
Authorities are asked to consider all religious holidays when setting dates for school registration. Failure to do this has led to unpleasantness in the past, the Ministry spokesman said.  
Parents are cautioned that from now on only their identity card or passport will be accepted as identification when registering their children.

## Prof. Zvi Abu buried in Safad

Jerusalem Post Reporter

SAFAD. — Prof. Zvi Abu, son of the famed Abu Family of Safad, who was killed in a traffic accident last week, has been buried here. He was 46. The funeral was attended by a large crowd of mourners, headed by Mayor Aharon Nahmias.  
Abu took part in the defence of Safad during the War of Independence. He later qualified as a lawyer and 10 years ago went to the U.S. to study Hebrew literature and Judaism. He was appointed professor at the State University of New York at Albany, where he developed a method for teaching Hebrew and Judaism by television.  
He returned to Israel last summer and has been lecturing at the Hebrew University and other institutes of higher learning. He was killed near Latrun while on his way to Jerusalem.  
He is survived by his widow and three children.

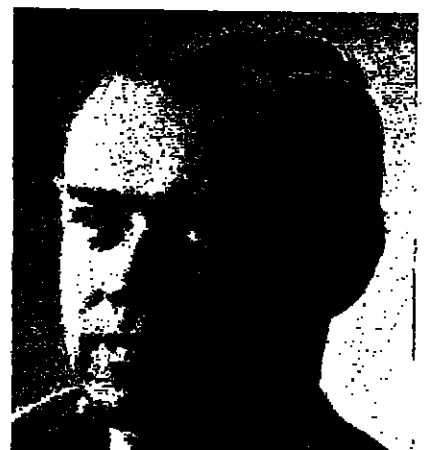
## Winning lotto numbers

TEL AVIV. — The winning six numbers in the lotto draw are: 10, 11, 13, 16, 19 and 22. The additional number was 28.

## Partnerships between Israel and German firms is mooted

By DAVID KRIVINE

**Jerusalem Post Economic Correspondent**  
"We can work together. There are possibilities of business partnerships between German and Israeli firms that should be followed up," his conclusion was expressed, after a week's stay, by Herbert Pavel, a member of the delegation of West German industrialists who are leaving the country today.  
Mr. Pavel heads the metals division of the German Manufacturers' Association, and himself was a 5,000-worker enterprise called the Rheinmetall Group.  
"I was here 12 years ago, to advise the Israeli authorities on industrial development. What strikes me is the tremendous progress that has taken place since then. This makes me convinced that the country has business possibilities for us."  
"What I have to do when I get back is overcome the impression current in West Germany that Israel is perpetually at war. We in the delegation are deeply impressed by the stability we have seen here, by peace and quiet, the absence of any war fever."  
"Even when Israel is engaged in hostilities, life goes on, industrial activity continues. I must get this message across to my colleagues back home."



Herbert Pavel... "We have been deeply impressed by the stability here."

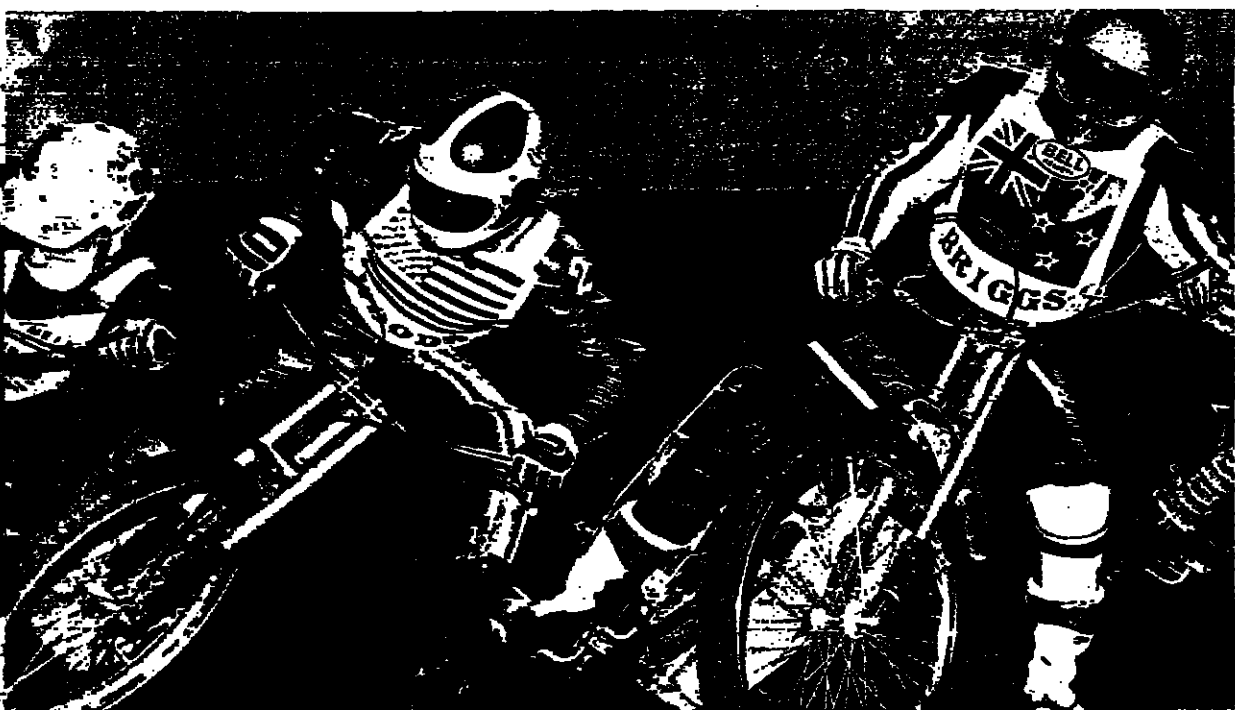
Mr. Pavel's enterprise belongs to the class of middle-sized (by German standards) industrial firms. Not a few, he believes, would be ready and willing to sub-contract production lines to companies like those he saw in Israel.  
"I met Staff Wertheimer, of Iskar in Nahariya. I am going to find out what products he can manufacture for us, and what goods we

can market for him. You see, a German plant may be producing, say, 50 components. If it can reduce that number by arranging for 20 to be made in Israel it can expand the output of the remaining 30 on its own premises.  
The interview with Pavel took place inside the Israel Museum yesterday, after a lunch given to the delegation by Jerusalem's Mayor, Teddy Kollek.

Other members are thinking along similar lines. Mr. Ignatz Bubis, who is building three new hotels here, told *The Jerusalem Post* that he plans to open an office in Tel Aviv which will examine the possibility of manufacturing in Israel goods that are currently imported from abroad.

"For each product, we shall root out a German firm that is expert in the field. I will try and build up a three-sided cooperation, between German know-how, my investment capital, and Israeli Government loans," he said.

Present at the lunch were the German Ambassador, Fer Fischer, and the Economic Attaché, Sigismund Buerstedde. The delegation is accompanied by Meshulam Rath, Economic Counsellor at the Israeli Embassy in Bonn.



372 U.S. motorcycle champion Rick Wood of California, centre, and four-time world motorcycle champion Barry Briggs of New Zealand, right — two of the participants in the series of five U.S.-Europe motorcycle races set to start at Beersheba Stadium on Monday at 3.50 p.m. The races, sponsored by the Israel Sabres basketball team, will move to Petah Tikva on Tuesday.

BACKGROUND REPORT / ASHER WALLFISH

## Labour MKs bemoan party and new forum

Most Labour parliamentarians regard the creation of the new "steering forum" around Premier Yitzhak Rabin, and the return of former premier Golda Meir to political involvement as a member of that forum, as proof that their party is rifting aimlessly.

Few Labour parliamentarians approve these changes. Few believe they can provide more than a short-term answer to their party's fundamental problems.

This week, a rank-and-file Labour MK who represents the kibbutz movement, Zvi Gershuni, put it this way: "Labour has a number of officially elected bodies which have never functioned properly. These are the leadership bureau, the political committee and the economic committee, among others. The malfunctioning of our elected bodies paralyzes the party and also symbolizes a paralysis. If Rabin and Zarmi could be brought to function, the 'steering forum' is fine. If they remain paralysed, the 'steering forum' isn't last very long."

Several Labour MKs told me that the existence of the "steering forum" would not restrict the freedom of the faction. In any event, they said, it was up to the faction to assert itself and rock the boat on issues it felt vital.

The two grave maladies weakening the Labour party — the crisis of identity and the crisis of leadership — are not new. They date from before Yitzhak Rabin became premier, and from before the Yom Kippur War.

The "steering forum" was set up to help Mr. Rabin and the party identify with each other, and because Labour has no alternative leader to Rabin anyway.

Informed Labour parliamentarians he week helped *The Post* trace his moves that led to party seces-

tary-general Meir Zarmi withdrawing his resignation, and Golda Meir's return to political involvement.

Premier Rabin, who enjoys a close and friendly relationship with Finance Minister Yehoshua Rabinowitz, said to have agreed with him initially that Zarmi's resignation should be taken as final.

Rabin and Rabinowitz were aware of the widespread feeling within the party that Zarmi did not show himself strong enough as secretary-general. Originally he had proved to be a popular candidate because he had no enemies in any of Labour's three wings: Mapai, Rafi and Ahdut Avoda. But once in the saddle, he seemed to lack the forcefulness, even abrasiveness, which could command cooperation.

Two Labour MKs who have no reason to undermine Zarmi told me: "He would call meetings of the party bodies, including the leadership bureau, but Rabin and top Ministers didn't bother to attend. So eventually he called fewer and fewer meetings on the excuse that the top people wouldn't come. Instead he should have gone ahead, summoned the bodies, and threatened to push decisions through, whether the ministers came or not. Then Rabin would have come running."

Rabin and Rabinowitz sounded out Housing Minister Avraham Ofer to see if he would be willing to accept the secretary-general's post if it were offered him. The *Post* was told. Ofer did not reject these informal proposals. However, when the idea was mooted in the party to test the reaction, Rabin and Rabinowitz drew back.

It is uncertain whether objections were raised by Golda Meir, who has clashed with Ofer in the past, or by Rafi and Ahdut Avoda, which both want to clip Ofer's wings. In addition, younger elements in Labour said they would propose Jeru-

salem District secretary Uri Barum if an open election were held for the post.

In the face of all this Ofer told Rabin and Rabinowitz that he was not interested in a fight. They realised that the only solution was to persuade Zarmi to return.

But one of Zarmi's conditions for returning was that a small, effective top-level body be created to link the Government, the party and the Histadrut in a permanent dialogue-relationship. Another condition was that Golda Meir be persuaded to return to political involvement. Zarmi was aware that one of Labour's most influential back-room politicians, David Kalderson, director of the Agricultural Bank, had been trying for several months to draw Golda Meir back into party affairs.

Mrs. Meir made it known to Zarmi that she would only agree to join the proposed "steering forum" if Premier Rabin asked her personally.

Kalderson in turn informed Rabinowitz that the party crisis would continue indefinitely unless Zarmi's two conditions were "sold" to the premier.

With the political courtesies strictly observed, to avoid hurting anyone's feelings, Zarmi then suggested to Rabin that the two of them sound out Mrs. Meir, and plead with her to return to politics. Rabin, who had not been offered any better alternative, accepted Zarmi's suggestion. The two went to Mrs. Meir, explained the party's crisis, and asked her to consider attending the new "steering forum" despite the burden they knew this would place upon her. After due reflection, she consented.

The Prime Minister's Office this week issued a denial of one press report alleging that Mrs. Meir's recall was presented to Rabin as a "fait accompli." Nothing so crude in fact happened. The premier wanted Zarmi back and he wanted

the Labour crisis solved. He had to pay the price.

Labour MKs who have had some contact in the past few days with the party branches report that Mrs. Meir's return and the establishment of the "steering forum" are seen there as detracting from Rabin's authority. They also report expressions of resentment over Mrs. Meir's return because she headed the Yom Kippur War leadership, and because it makes Labour's image increasingly unattractive to young voters.

Criticism of the existence of a "steering forum," and indignation by groups of persons who demand representation, are hard to disentangle. The forum contains no representative of the Oriental communities, no representative from the moshav movement and no representative from the Jewish Labour, among others. Nor does it contain a representative of the Labour Knesset faction.

One faction member told *The Post*: "If faction chairman Moshe Portman were co-opted to the steering forum" as he would like, that would mean two men on the forum from Haifa (Wertman and Jewish Agency chairman Yosef Almog). Wertman, anyway, would represent the forum's views in the faction. We want somebody to represent the faction's views in the forum."  
Moshe Hersh, MK, does not hide his total objection to the "steering forum." He told *The Post*: "It is an unofficial body. Its members have no authority. It will destroy all democracy in the party. It will make no decisions and solve no problems. It will be duplicating the functions of the leadership bureau which was elected by due process to run the party but has been stripped of its prerogatives. The 'steering forum' will do the party no good, now or later. I hope the party central committee meeting, called for next month, will show just how vigorous objections are, within the party."

**PURIM CABARET AT THE JERUSALEM HILTON**  
FEATURING THE PLATTERS AFTER MIDNIGHT

... and dance to the sound of the Pearls Show includes First Drink IL75.- per person not including service charge and taxes Have fun on March 17th, 1976 at the Cabaret starting from 9 p.m. on ... For reservations call 536151, ext. 3901 or contact the special desk in the Lobby The Platters will be televised during their performance



# Giscard talks with finance experts

PARIS. — President Valéry Giscard d'Estaing yesterday consulted with his top financial experts in the aftermath of France's second withdrawal from the European currency joint float.

Giscard, who laid his own reputation on the line when the franc re-entered the "snake" last August, met with Finance Minister Jean-Pierre Fourcade, Bank of France governor Bernard Clappier, who presided over last week's futile franc rescue operation which cost nearly half of France's currency reserves, was also present at the meeting.

The withdrawal of the franc from the snake, announced in Brussels early on Monday by Fourcade, was seen here as a setback for the Common Market and for Giscard's prestige.

When the French leader decided to take the franc back into the snake last May, it was a calculated gamble.

He hoped the then new-found strength of the French currency would stand the test of time and speculators and give the Common Market the boost it needed to resume its quest for economic and monetary union.

But irresistible money market forces upset the French leader's calculations and yesterday he faced the humiliating prospect of admitting he was wrong. His problems were exacerbated by opposition left-wing gains in weekend local elections.

The new, turbulent monetary situation could weigh heavily on French government deliberations later this week. The cabinet is devoting most of tomorrow's session to a study of EEC institutions and how they could be streamlined in the light of a report by Belgian Prime Minister Leo Tindemans.

The idea was that the cabinet should come up with some ideas for French initiatives for the April 1 EEC summit in Luxembourg where the Tindemans report will be discussed. But after the bitter decision to float the franc, Giscard may feel there is little use in such initiatives at present. (Reuters) (Leader — Page 18)

# China applauds Egypt for ending pact with Soviets

PEKING. — China yesterday said President Anwar Sadat's decision to terminate Egypt's friendship and cooperation treaty with the Soviet Union was wholly justified.

The "People's Daily," celebrating what Peking sees as a major blow at Soviet expansionism, said the move signified "the bankruptcy of Soviet hegemony in Egypt, and a great victory for the Egyptian people."

The treaty contained lies, the official newspaper said in a commentary. It asked: "In these circumstances, what value does it have for Egypt except as shackles. Therefore Egypt is wholly justified in throwing away these shackles." (Reuters)

# Vice-Premier Li attacked in wall posters

TOKYO. — Recent visitors to Wuhan in central China have seen wall posters attacking Vice-Premier Li Hsien-shan. Japan's Kyodo news service reported yesterday.

There was no indication that the criticism was part of the campaign against First Vice-Premier Teng Hsiao-ping, accused of favouring economic development at the expense of party chairman Mao Tse-tung's revolutionary ideas. But Li is regarded as one of the country's leading economic experts.

A Kyodo report from Peking said the posters accused Li of being a wire-puller behind Chao Hsin-chu, chairman of the Hupei provincial revolutionary committee, who is being criticized over local issues. Li, fourth among China's 11 vice-premiers and a member of the party political bureau, is a native of the province.

Li's activities have not been reported in China's official press since he paid condolences at the Malaysian embassy in Peking on January 16 upon the death of Malaysian Prime Minister Tan Abdul Razak. (AP)

# Syria urges UN Assembly act on Palestinians

UNITED NATIONS. — Syria said on Monday that if the Security Council, because of "abuse" of the veto, failed to take steps to guarantee a programme for implementing Palestinian rights, the General Assembly should assume the responsibility.

Syrian representative Mowafak Allaf also suggested the possibility of creating a UN Council for Palestine, along the lines of the Council for Namibia (South West Africa).

Allaf was addressing the Committee on the Exercise of the Inalienable Rights of the Palestinian People, a new 20-member UN body established under an Assembly resolution adopted last November.

The Committee is charged with recommending a programme of implementation designed to enable the Palestinian people to exercise such rights as self-determination, national independence and sovereignty.

Allaf, who has observer status in the Committee, said it should recommend that the Security Council guarantee the carrying out of the proposed programme.

In the not unlikely event of obstruction due to abuse of the veto power, the Committee should recommend that the Assembly itself carry out its responsibilities in the matter, he added.

He also said the UN should consider the possibility of handling the situation arising from Israel's "illegal occupation" of Palestinian territory in the same way it was dealing with South Africa's occupation of Namibia. (Reuters)

KISSINGER. — A cross-section of Americans approve of the policies of Secretary of State Henry Kissinger by a majority of 58 to 37 per cent, a Harris Poll reported on Monday.

# White defeats raise black hopes in South Africa

By STANLEY UYS

CAPE TOWN. — What are the black masses of South Africa thinking? How have they reacted to recent events in Southern Africa — the independence of Mozambique, the civil war in Angola, the threat of racial war in Rhodesia, the demands for independence in Namibia (South-West Africa)?

More particularly, how do they feel towards the whites in South Africa? Do they still retain some good will towards them? Or is their patience exhausted?

An assessment of black opinion in South Africa today would have to be based on occasional speeches by black leaders, statements by small black consciousness groups like Saso (South African Students' Association) and BPC (Black People's Convention) (although their top leadership is facing terrorism act charges), letters by Africans to newspapers and random surveys conducted by the newspapers of black opinion, and — possibly the most reliable index of all — gossip coming out of the brooding black townships that form the labour reservoirs of the white cities.

Put together, this assortment of opinions and gossip tells a disturbing story: that the black townships were "relieved" when Frelimo marched into Mozambique, that their sympathies were with the MPLA in Angola, not with the South African troops, that the Rhodesian leader, Ian Smith, epitomises white racism for them, and that with every setback for white rule their expectations rise another notch.

On the other hand, there are few outward signs of organized rebellious attitudes among South Africa's blacks. No doubt this is due to the efficient system of coercive control in the country; but the fact is that repeated prophecies

of doom have not materialized.

One of the most significant recent developments has been the virtual collapse of the government's policy towards two million Coloureds of mixed race descent. The Government, in fact, brought about this collapse itself by creating the Coloured Person's Representative Council — a kind of "mini-parliament" for the Coloured people. The Labour Party gained control of the Council and brought its proceedings to a halt, thus creating an impasse in official policy.

When the Minister of Coloured Relations dismissed Labour leader Sonny Leon as chairman of the Council, the Coloured people rallied behind Leon with an enthusiasm seldom seen in Coloured politics. For many whites, this is the first incontrovertible proof that apartheid policies, in their modern form, are creating bitterness among the Coloured people.

Similarly, political activity on the African side has been confined mainly to the perimeters of the Bantustan policy, with the Bantustan leaders utilizing the platform provided by the policy to articulate their demands. Two of the Bantustan leaders, Paramount Chief Kaizer Matanzima of the Transkei and Chief Lucas Mangope of Bophuthatswana, have said they will go all the way with the Bantustan policy, and accept independence for their "homelands," but the other Bantustan leaders are insisting on more land before they will consider accepting independence.

When Vorster embarked on the detente exercise, he promised that it would be accompanied by the liberalization of race policies in

South Africa. Since then, certain steps have been taken to ameliorate apartheid conditions in specific spheres: selected, high-class hotels have been declared "international" and have been given permission to accept black guests (although local blacks may not drink there unless they have a meal as well); some race barriers in sport have come down; the abysmally low wages of many blacks have been raised and more job opportunities created in the skilled occupations; the Nico Maltan Theatre in Cape Town and its restaurant have been opened to all races; and so forth.

These changes have tended to create ideological confusion among Vorster's followers, but the changes are peripheral when measured against the fundamental apartheid laws that govern the lives of blacks in South Africa.

An ominous development is the Government's decision now to increase defence expenditure — following its intervention in the Angolan war, and the heightened militarization of the country — at the expense of projects such as housing. Opposition parliamentarians are warning the Government that this is a dangerous decision: that increased expenditure on housing and transport could reduce the need for defence spending. But the Government has shown no sign of heeding this warning.

Steadily, therefore, the grievances of South Africa's black population are mounting: political, social and economic. But they are also coinciding with what Chief Buthelet calls the "time in black expectations." It could be an explosive mixture. Possibly, South Africa does not need a scientific survey to tell it what its black citizens are thinking and feeling. (OFNS)

# Britain's longest-serving peace-time Prime Minister

LONDON. — James Harold Wilson served four terms as Prime Minister of Britain since becoming the nation's third Socialist Prime Minister on October 16, 1964.

Born on March 11, 1916, in the grimy Northern England city of Huddersfield, he told his mother when he was 10 that he would become prime minister one day. He never deviated from that ambition.

He was a prize-winning scholarship student at Oxford, and by the age of 21 he was lecturing in economics at New College, Oxford, while assisting Lord Beveridge, the architect of Britain's welfare state.

Employed as a civil servant during World War II, he was first elected to Parliament in July 1945. His rise to become leader of Britain's Labour Party was meteoric, and on the way, he gained a reputation for political wheeling and dealing that remains with him to this day.

In opposition he became Labour's spokesman on finance and foreign affairs, and in 1960 decided to run against his good friend, Hugh Gaitskill, to be party leader. Amid cries of betrayal, Wilson was defeated overwhelmingly. But on Gaitskill's death in February 1963, Wilson was elected leader, and a year later he took his party into power

by defeating then Prime Minister Sir Alec Douglas-Home's Conservative government in a general election.

By last September, the pipe-smoking Wilson had become the longest serving peacetime Prime Minister this century, with 7½ years on the job. If he had remained in office until February 1977, he would have surpassed even wartime Prime Ministers Sir Winston Churchill and Herbert Asquith, who served 8½ years.

Wilson's first term ran from October 1964 to 1966. Then Labour was returned to power in a general election, and his second term lasted until his surprise defeat by Edward Heath's Conservatives in June 1970. Wilson returned to power in the March 1974 election, ousted Heath's Tories, and was re-affirmed in power by the October 1974 election.

The short, stocky Yorkshireman, whose clipped speech still retains a trace of his North country origins, married Gladys Mary Baldwin in 1940 and they have two sons. Mary Wilson, a poet, has been a quiet, home-loving first lady, who enjoys the anonymity of country life more than the whirl of political life at Westminster.

Six months ago, Wilson was telling friends he was thinking of retiring in a year or so. There was speculation he would go into academic life.

In a BBC radio interview last week, he talked about the time when he would "cease to be Prime Minister." He said he would remain in the House of Commons as a "backbencher," or member without ministerial office, would do some lecturing at home and abroad, and would write books "on things I have learned." (AP)

# Last chance to stop rush on sea minerals

UNITED NATIONS. — Warned that further delay would destroy chances for world agreement on sharing the seas, delegates from 156 countries yesterday got down to two months of hard bargaining.

Closed door sessions began after the opening on Monday of the Third International Conference on the Law of the Sea.

Secretary-General Kurt Waldheim told delegates that if they failed to agree on a comprehensive convention, "we will have lost a unique opportunity, and one that may not occur again."

The conference president, Hamilton Shirley Amerasinghe of Sri Lanka, outlined procedures designed to discourage the torrent of speeches that characterized previous conference sessions in Caracas in 1974 and in Geneva last year.

Nearly all meetings are to be behind closed doors, without the glare of publicity, he said, and "no other meeting should be allowed to clash with or encroach on" the negotiations.

"The stage of general debate has passed," he declared.

"If we fail, the conference will

simply break down in a rush of unilateral actions," said Canada's chief delegate, J. Alan Beasley.

He pointed out that several governments have already claimed 200-mile economic or territorial zones, and the U.S. and Canada are ready to do likewise. But more frightening, he continued, would be a rush for the estimated three trillion dollars worth of mineral nodules on the Pacific floor beyond the jurisdiction of any government.

A bill now before the U.S. Senate would authorize backing for commercial firms trying to mine the deep seabed. The measure is being pushed by several American multinational firms and consortiums that claim they have the necessary technology.

One major problem of the conference, Beasley said, is that because of conflicting national interests, no one will be willing to announce firm agreement on any issue until he sees the whole package. And the package under discussion includes more than 400 items, many of them divided into paragraphs and subparagraphs. (AP)

(Fish-hunters, page 7)

# '100 U.S. firms in payoffs'

WASHINGTON. — Roderick Hills, chairman of the U.S. Securities and Exchange Commission, said yesterday that he expects at least 20 more large U.S. companies to admit they have made improper foreign payments and bribes to promote sales abroad.

This would bring the total of companies to around 100; he told the New York City Bar Association. Firms already involved in such

payments include such giants as the Lockheed Aircraft Corporation, Northrop, Gulf Oil and Exxon.

Hills said a few other companies that might have been involved in such practices probably would not disclose their activities. But he warned that the SEC, which regulates stock and bond trading, would investigate and take legal action against such companies. (Reuters, AP)



A mourner at the funeral of a Coloured 18-year-old soldier, broken down and weeps in Salisbury, Rhodesia, yesterday. The soldier was killed last week in a landmine explosion on the border. (UPI telephoto)

# Cold weather favours Ford

CHICAGO. — Illinois voters yesterday cast their ballots in the state's presidential primary election in clear, cold weather that appeared to favour President Ford in the Republican race.

The President's supporters had been hoping for good weather and an increase of 150,000 from 1972. They said a big turnout would ensure a crushing victory here over challenger Ronald Reagan and severely hurt his bid for the Republican nomination.

Reagan's campaign organizers, who conceded that their man faced as Ford's strongest democratic opponent, had pinned their hopes on terrible weather.

Ninety-six Illinois delegates to the Republican party's summer nominating convention were due to be chosen in a separate tally. Reagan said he expected to win 20 to 24 of them.

In the Democratic camp, backers of former governor Jimmy Carter of Georgia were predicting victory in a close race with Alabama governor George Wallace.

They said Carter would benefit from two national opinion polls published on Monday that showed his lead over Ford's strongest democratic opponent. (Reuters, AP)

# GLANCE AT THE WORLD

## Kreisky on fact-finding M.E. tour

KUWAIT. — Austrian Chancellor Bruno Kreisky stressed that "we have come on a fact-finding Middle East tour" as he and six other Socialist International members arrived here yesterday. Kreisky said he hoped to be able to put forward "constructive proposals" in a report to be submitted after the tour.

The Chancellor and his team of West German, Swedish, Italian and French Socialists came direct from a Socialist International Conference in Portugal. They are scheduled to visit Iraq, Jordan, Saudi Arabia and the United Arab Emirates after Kuwait. This is Kreisky's third tour on behalf of the International since the 1973 Middle East war. (Reuters)

## Whitlam party man quits

CANBERRA. — The Labour opposition's shadow minister for education and defence, Kim Beasley, resigned yesterday in protest over the political fund-raising scandal involving Labour party leader Gough Whitlam.

Beasley, who served as education minister in Whitlam's former government, said he had resigned because he had been told nothing about attempts to obtain \$500,000 from Iraq for Labour's election campaign funds last December.

Beasley, 59, the longest serving member of the House of Representatives (lower house), told reporters: "I have resigned on the basis of ignorance. I am sure I am going to go on being ignorant about the Iraqi funds affair... I have resigned on the question of ignorance, and inability to explain something to the general public." (Reuters)

## Prison terms for Greek newsmen

ATHENS. — The directors of five influential Greek newspapers were each sentenced to four months' imprisonment on Monday on charges of defying a legal ban on news reports on the assassination of Richard Welch, Athens CIA chief.

The directors have been set free pending the outcome of their appeal.

A public prosecutor's ban on further coverage of the Welch affair was imposed a week after he was assassinated by unidentified gunmen outside his home on December 23. The ban was imposed on the ground that the press was giving sensationalist speculation on the incident. (AP)

## U.S. cuts energy talks with Soviets

WASHINGTON. — In what appears to be the first practical effect of a broad reassessment of Soviet-American relations, Washington has abruptly cancelled a meeting of the Soviet-American Joint Commission on Energy Cooperation, the "Washington Post" reported yesterday.

The meeting, postponed on a week's notice, was to have opened Monday in Moscow with Federal Energy Administrator Frank Zarb heading the U.S. delegation. The group was set up in 1974 under agreements reached in Moscow in 1972 at the first Nixon-Brezhnev summit.

A White House official said on Monday that the general reassessment of the U.S.-Soviet relationship was started by U.S. Secretary of State Henry Kissinger soon after the full extent of Soviet involvement in Angola was realized.



What will be out in front in a few years' time?

Some star-gaze and some have their palm read. You rely on your good sense in choosing your path. Your future will be secure if you build it on the SELA and SHAHAM provident funds. Put some of your income in United Mizrahi Bank's SELA and SHAHAM funds. We'll be pleased to give you advice and information.



THE TRUSTEE UNITED MIZRAHI BANK LTD

**WE ARE EXCLUSIVE BUT NOT EXPENSIVE**

**NAVEH AMIRIM**

In Herzliya on the border of Ramat Hasharon: 3 and 4 bedroom apartments and fabulous penthouses in this new residential project combining innovative community planning with architectural excellence.

**RAMAT NAVEH**

(opposite Ramat-Aviv Hotel) a few spacious 3 bedroom apartments and a penthouse still available.

Visit our Model Apartment and see for yourself.

**NAVEH Construction Co. Ltd.**

A subsidiary of Property and Building Corp. Ltd.

Head Office: 52 Rehov Arlosoroff, Tel Aviv, Tel. 03-231166. Sun. Mon. Tue. Thur. 8 a.m.-1 p.m.; 4-6 p.m. Wed., Fri. 8 a.m.-1 p.m.

Model Apartment and Sales Office: Naveh Amirim, Rehov Arlosoroff, Herzliya. Tel. 03-398406. Sun-Thur. 10 a.m.-1 p.m.; 4-6 p.m.

**The Van Leer Jerusalem Foundation**

In cooperation with the Seminar on Relations between Israel and Western Europe of the Institute of Contemporary Jewry, The Hebrew University, Jerusalem

invites the public to a lecture by

**Mr. EMILE NOËL**

Secretary-General of the Commission of the European Communities

on:

**"THE INSTITUTIONS OF THE EUROPEAN COMMUNITY"**

Chairman: Dr. SHLOMO ARONSON

Tomorrow, Thursday, March 18, 1976, at 8.30 p.m.

43 Rehov Jabotinsky, Jerusalem

**DISPLAY ROOM OF THE PHILATELIC SERVICES**

Room 101, 27 Allenby Rd., Tel Aviv

On display:

**Collection of Stamps from various countries**

from the Archives of the Philatelic Services

The exhibition is open to the public on

Sunday, Monday, Tuesday, Thursday, 8.00 a.m.-2.30 p.m.

on Wednesday, 8.00 a.m.-1.00 p.m.; 4.00-6.00 p.m., and Friday, 8.00 a.m.-1.30 p.m.

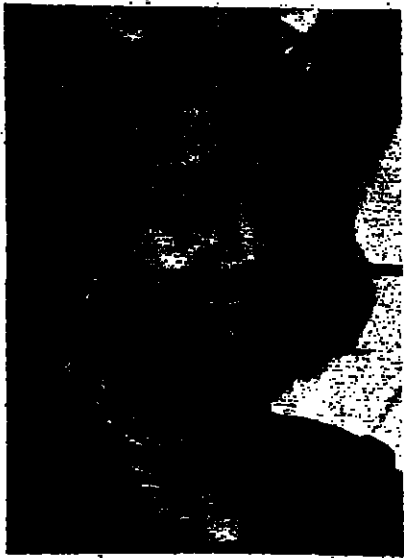
— Entrance Free —

המזרחי



## Forging a new nation out of Taki-Taki and the Bush

By JOAN BORSTEN  
Special to the Jerusalem Post



Wonne Pique

Children from eight different ethnic groups, each of which preserves its own language and traditions, come to her kindergarten. A teacher has to integrate children of Creole, Hindustani, Chinese, Japanese, Portuguese, Dutch, Bush Negro, and Amer Indian (indigenous) backgrounds in one classroom and teach them all to function in Dutch, the country's official language.

"It's not easy," admits Wonne, a Creole who speaks English, Dutch and Taki-Taki (English combined with a Negro dialect). "At least in Israel, a new immigrant child grows up speaking Hebrew and that becomes the language of his own home. The Surinamese use Dutch for trade and commerce and bring their children up using the family's traditional language. We will have the same problem generation after generation, at least among the young generation, is now almost unknown."

OF SURINAM'S major problems, common to women and men, is the lack of national identity.

how that we are independent. It is to make our citizens realize that this is their country, otherwise they'll never work hard enough to develop it. Surinam has a tropical climate and fertile soil, so that fruit and vegetables grow all year around.

"As a result poverty is virtually unknown and farmers are not pressured to increase productivity. We also suffer from an 'if my mother was a Queen, I would be a princess' type of mentality, and from 'yerdie.' There are about 300,000 educated, skilled Surinamese living happily in Holland. We need to try and entice them back to help develop our country."

INDEPENDENCE has scared many Surinamese, despite the fact that the Dutch gave the tiny country a vast sum of money to get started. Fearful that self-government was impossible, additional Surinamese have recently fled to Holland. Wonne, who is more optimistic, foresees continued good relations between Surinam and Holland, foreign aid, and help on the international front.

"Israel can probably count on Surinam's support because of Holland's pro-Israel stand. I don't know if we shall be able to send an ambassador to Israel though. I think only about 10 of us have any kind of diplomatic training."

One of the benefits of Wonne's stay in Israel and the course at Mt. Carmel is her contact with Africans (who are much more shy than the Surinamese women) and Asians ("they look like our Hindustanis").

"They made me realize that, like Israel, Surinam is western in its orientation. We aren't part of the Third World, plagued with poverty, ill-health and an Eastern mentality. Our problem is to raise the national standard of living by teaching women how to care better for their children, providing good agricultural training for farmers, developing national industries, and learning to use our natural resources. I think one of the best signs of Surinam's desire to progress is the Bush. Even there people are buying all kinds of electrical appliances — refrigerators, televisions, cars. They know that they want these things even if they don't yet know how to use them."



By HAIM SHAPIRO

### Not a paradise for gourmets

canflower; parsley salad with tehina, houmous and a very good Turkish salad. This was accompanied by fried koube, filled with fried onions and small bits of meat — quite satisfactory.

However the main course hardly lived up to the promise of the hors d'oeuvres. The lamb chops were tough and stringy, and while the shishlik was better, it was hardly outstanding. Both were accompanied by chips that could be called "done" only by the greatest stretch of our imagination.

To end our meal we had Turkish coffee, which was quite good, but I missed the finesse by which one was once automatically served a glass of water with the coffee at this same restaurant. We also tried two types of pistachio-filled oriental pastry, but for the Jerusalemite, accustomed to the delights of the Old City, these too seemed less grand than before.

The saving grace was the bill, IL72, which together with IL10 for the really gracious waiter, did not seem too much for the meal, with two bottles of local beer.

Nonetheless, if anyone knows of a really good, inexpensive restaurant in Haifa, I for one would be happy to hear about it.

### MUSIC REVIEWS

## A BEAUTIFUL WAY OF MAKING MUSIC

THE RE-APPEARANCE of the Kibbutz Artistic Choir in Jerusalem after a long interval enabled us to listen to a group as a new experience. Gone is the older generation of artists who had brought the tradition of choir singing with them from Europe — but it is heartening to hear second-generation kibbutzniks carrying on in exemplary fashion this beautiful way of making music. The renditions, of settings and Israeli compositions, were all given in a flawless and well-balanced manner, with markedly good and strong basses doing a solid foundation to the choir's sonority. Eri Doron and the Kibbutz choir shared the podium and both elicited performances of a highest standard (Jerusalem Post, March 14).

There were plenty of Israeli arrangements and compositions. Rachel Kochavi contributed a "Prayer" in a competent setting and propitiate atmosphere; Dov Carmel wrote "Twilight," a mood picture of persuasive delicacy; Heskeli Braum's setting of "Songs" did not explore new avenues but, of course, his handling of choir voices is expert. Pleasant arrangements of additional tunes came from Gil Givon, Uri Givon, and Stanley Givon. Uri Givon's "On the Dunes of Poland" (Hebrew: Tzi'at Ha'Kfar) was a beautiful arrangement of Shabbat Cantations of the Babylonian tradition, more than mere setting. It bore a mark of a sensitive musician whose imagination who transformed

the melodies into a composition of content and weight.

The revival of Matitiahu Shelem's charming folk-music-like songs of older vintage through the setting in a Suite by Dov Carmel was a fine contribution to the Israeli repertoire. The songs are more than just a nostalgic memory, and the arrangements are contrasting and interesting all the way.

All the presentation reflected the painstaking preparation of the programme. But, even more, they revealed the high level of musical culture among members of kibbutzim as directed by Rachel Kochavi and Eri Doron.

YOHANAN BORSTEN

toocata-like passages. Though it suited the two musicians better than the Beethoven, the sonata, too, would have gained by a more refined, better organized and more thoughtful approach.

The two remaining items, a Prelude and Fugue from Bach's C minor Suite and Schubert's "Arpeggione," failed to reveal anything of consequence musically speaking. Neither artist had much to say and the Bach lacked its essential balance and inner strength. The "Arpeggione" was not sung-out, as it should be. Even technically there were faults.

BENJAMIN BAR-AM

HANCOCH JACOBI'S "Partita Israeliana" describes in every movement two contrasting moods. The Jewish spirit is not always recognizable. (Auditorium, March 9.) Vivaldi's Concerto for Violin and Strings "The Four Seasons" conducted by Miss Dalia Atlas was divided in two parts, separately played before and after the intermission. It is an ambitious work and needed the conductor's energetic direction as well as the players' (14 members took part) undivided attention to display the seasons' varying moods. Violinist Jaki Klees, unaffected by the solo part's technical difficulties, showed perfect command of the material, playing with virtuosity all fast passages and runs. Benjamin Britten's "Simple Symphony" awoke anew "Pro Musica's" capacity for sensitivity.

G.W.B.

### Deception plays a big part

BRIDGE  
GEORGE LEVINREW

and in clubs, and judging by West's double a probable loser in diamonds. So now was the time to set the trap. A spade was led from dummy and on it South discarded a diamond! And how West fell for it. He led a diamond. So declarer instead of being set, made an over-trick through the discard of clubs on the established diamonds.

Deal 2  
All Pass  
It was in the same tournament that East was highly praised. He won the heart opening lead with the ace and returned the diamond

four! South won with the king, led a heart to the king, and played a spade. Without hesitation East won with the ace and led the diamond eight.

Naturally (?) South counted East as having three diamonds, presumably to the queen. Whoever leads a four from an eight four doubleton? So declarer finessed. West won, and returned a diamond which East ruffed. Instead of making a fairly automatic contract the declarer was set one trick.

Both Vul.

NORTH  
♠ 97532  
♥ KQ  
♦ J10655  
♣ 2

EAST  
♠ A4  
♥ A394  
♦ 84  
♣ K9763

SOUTH (D)  
♠ Q1065  
♥ AK2  
♦ AK2  
♣ AQJ4

The bidding:  
SOUTH NORTH  
1NT 2♠

Even international stars can be outwitted on occasion. In this it was the player in the West at who was the victim. The spade king held the first trick, and a trump was then won dummy. South realized that he had three certain losers in spades

"How lucky we are with the weather," said the English tourist. She could not believe that the sunshine in Eilat was normal for this time of the year. Her party had left Jerusalem under a blanket of snow, arrived on the Red Sea coast that afternoon to see Bikini-clad Dancers browning themselves at the pool-side.

By the next morning it was apparent that a chilly northern wind competes with the sun. It sent sunbathers scurrying for a sheltered spot in which to disrobe. But when the temperature hit 23 degrees (according to radio figures), the cooling wind was a relief rather than a hindrance.

Three years ago Eilat more than doubled the amount of its hotel accommodation. Critics raised their hands in horror at this improvidence. But the place is full. Attempts to book a room on a friend's behalf for Pesach were an unmitigated failure. We trudged from one large establishment to another. Six times we got the same answer at the reception desk: "It's not even worth your while joining the waiting list," they said. Everything is already reserved — a tourist guide told us — for next Christmas, too.

It must be the sun, the sea, the desert. For the ungainly hotel buildings — at least all but one of them — look as if they had been built without the aid of an architect. And their surroundings remain untended. These hotels, with all modern amenities, represent a costly investment, and so does the small marina, carved out of the coast. Yet seemingly, the modest additional sum required to trim the place up — with a parterre, shrubs, a few palm trees, a park-bench or two — could not be found; or perhaps the City Fathers just lack the necessary savoir-faire.

THERE IS NO outward sign of the distress associated with the imminent closure of Timna mines. Eilat still offers more jobs than it has job-seekers. The same English lady noticed: "It's terribly international, isn't it? I mean, not only the guests are from all parts of the world; the hotel staff are, too."

Ethiopian work as waiters, blond Aryans as chambermaids, an ex-Major in the Biafran Army was washing dishes in the kitchen. Breakfast was brought to the room by a fresh-faced London girl. "What are you doing here?" She smiled wryly: "Trying to make enough money to get away."

Half-a-dozen restaurants match the country's best culinary stan-



## The ups (and downs) of winter in Eilat

By DAVID KRIVINE / Jerusalem Post Reporter

dards. They sprang into existence (our guide friend explained) once the hotels stopped forcing guests to book half-board. Yet hotels still require half-board at seasonal peaks, a practice which should (Tourist Ministry, please note) be stopped. Most middle-aged people cannot manage two full meals a day. Half-board means either devoting every day to the rather dull hotel fare, or paying for a meal that is not consumed.

post on the Gulf of Akaba, not a European metropolis. But it possesses a zest and sophistication of its own.

The restaurants have style. A Chinese one opposite the Laromne Hotel is done up with a delicacy that contrasts with the ruggedness outside. The *maitre d'hotel*, a young Frenchman called Jean-Charles, sports a small diamond on his right ear-lobe. His Gallic wit and solicitude for the customer could serve as an object lesson for the more pompous hostesses in Tel Aviv.

Apart from the eating houses, there are night-clubs, entertainment. Wilhelm Krumbach played the organ during our stay. The most captivating spectacle of all is the under-water aquarium.

We had not encountered anything like it before: plants that wave their tentacles like living creatures; box-fish that are shaped like a box; globe-fish down whose capacious maw one can peer; stone-fish that look like a stone covered with lichen, and lie on the sea-bed as immobile as a stone.

THERE IS all of Sinai around, and the Red Sea. Eilat is not boring; but it can shock the unwary visitor for another reason. And here is a second task for the Tourist Ministry — to stop the unholy practice of fleecing the foreigner.

Not all are guilty; most charges are reasonable. There is, however, the exception, which raffles. An old-established fish restaurant presented a party of six people with a bill for IL338. Needless to say, they had not been offered a menu; the *patrons* had gently invoked their trust. The meal, by the way, was good — but not that good.

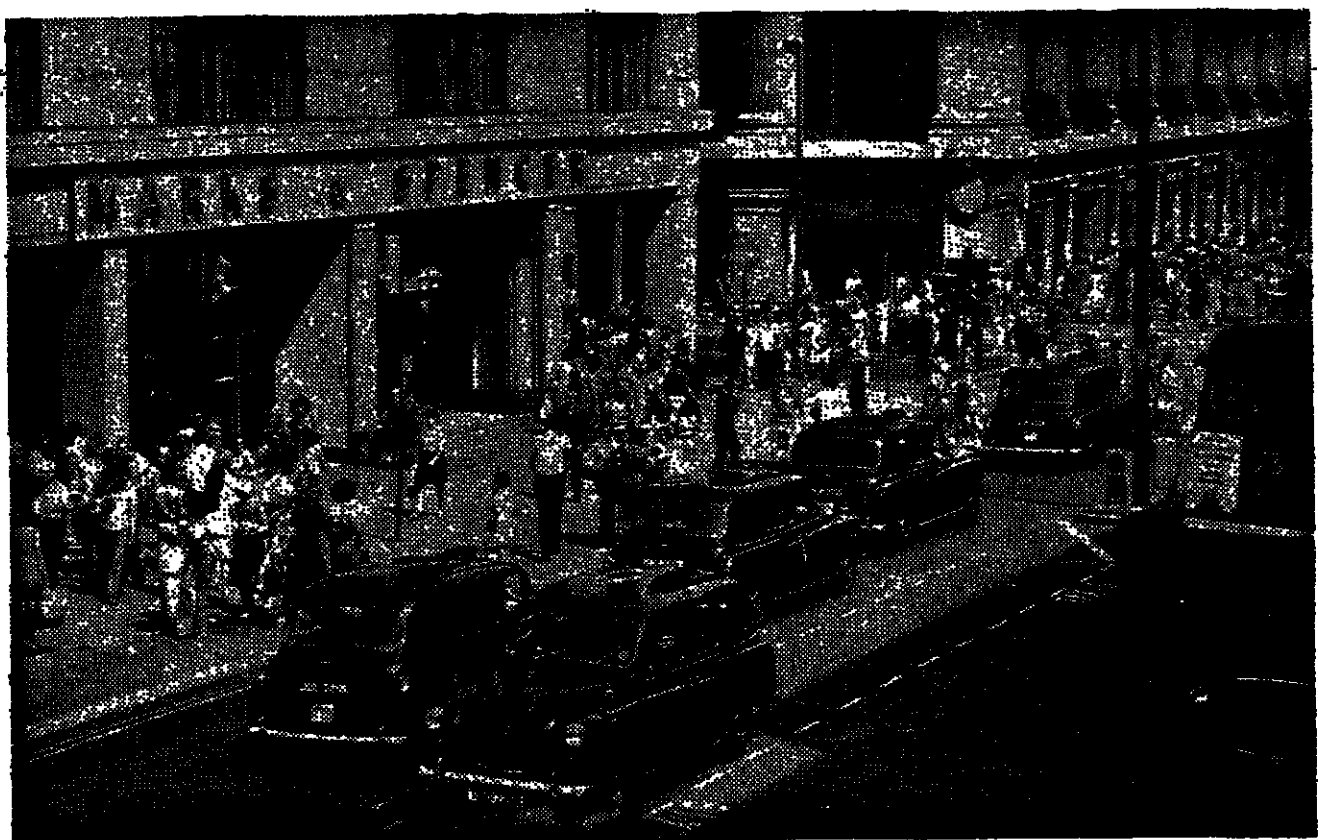
Locals get to know with whom they are dealing, learn to avoid the extortionate supplier. The foreign tourist is an easy prey — and not only in eating places. A local doctor was called to the hotel to deal with a minor complaint. His fee for a five-minute consultation: IL225. The lady had a slight bronchial cough, which did not keep her in bed. His second visit, which included some (presumably expensive) antibiotic tablets, set her back IL270.

Tourists pay up; but do so under duress, and consider themselves exploited. Cross-questioned on the subject, a caterer claimed that the foreigners do not notice — they pay just as much and more in their home countries.

This is as false as are other excuses ("Everybody cheats on income tax") — used to justify wrong-doing. Restaurant prices are not as high as all that in Europe — except at exclusive haunts where the amenities are palatial. Most well-to-do tourists from abroad only frequent such costly premises on rare and special occasions. And anyway, Israelis will be surprised to know, not all the tourists are so very well-to-do.

The result of these sharp practices, where they occur, is that Israel is getting a reputation for Levantism. It is a sad contrast to the old days, when a Jewish taxi-driver would return your tip.

## When you think of London



## you obviously think of shopping.

You probably also think of London's theatres, and of the many fascinating things London has to offer. If you're in the export business you should also think of London as a market with some 50 million potential customers.

Whatever your motive for going there — you should think of British Airways.

We can give you quite a few useful tips and ideas besides selling or buying. We fly to London, nonstop today, tomorrow and everyday at 09.30. Come along!

See your Travel Agent or any British Airways office about it.

TEL AVIV, 59, Ben Yehuda Rd., Phone 229251  
JERUSALEM, Beit Yoel, 33 Jaffa Rd., Phones: 233600, 233511  
HAIFA, 120 Derech Haatsmaut, Phones: 535360, 536745  
LON, Ben Gurion International Airport, Phone: 971456



British  
airways

Worldwide you'll be in good hands

בנק ערדני ישראל בע"מ  
חברה בת ענן בנק לאומי לישראל בע"מ



البنك العربي الاسرائيلي  
شركة مسجلة في السجل التجاري في اسرائيل

## The Arab Israel Bank Ltd.

SUBSIDIARY OF BANK LEUMI LE ISRAEL B.M.

### BALANCE SHEET AS AT DECEMBER 31, 1975.

	Note	December 31, 1975				Note	December 31, 1974		
		IL	IL	IL			IL	IL	IL
<b>CAPITAL, RESERVES AND SURPLUS</b>					<b>CASH IN HAND AND BALANCES WITH BANK OF ISRAEL AND BANKING INSTITUTIONS</b>				
Share Capital —							124,192,000		88,068,000
Ordinary Shares of IL100		5,000,000	3,500,000	3,500,000	<b>SPECIAL DEPOSIT WITH BANKING INSTITUTION — PARENT COMPANY</b>			37,275,000	31,830,000
Premium on Shares			5,000	5,000					
Capital Reserve			4,000,000	2,225,000	<b>SECURITIES</b>	2			
Statement of Profit and Loss —			238,000	203,000	Debentures of the Government of Israel		3,741,000		3,682,000
Balance of Profit			7,741,000	5,933,000	Other Debentures		103,000		88,000
					Shares in Subsidiary Companies		54,000		19,000
							3,898,000		3,789,000
<b>6% CAPITAL NOTE</b>					<b>LOANS</b>				
Repayable December 31, 1975				1,500,000	Less Provision for Doubtful Debts				
					Loans and Bills Discounted		33,942,000		19,645,000
<b>DEPOSITS</b>					Loans out of Deposits for the Granting of Loans		22,606,000		17,667,000
Demand Deposits		66,614,000		52,522,000			56,548,000		37,312,000
Time and Savings Deposits		86,915,000		48,176,000	<b>OTHER ACCOUNTS</b>				
Deposits from Banking Institutions		9,000		18,000			2,283,000		1,565,000
Special Deposit from Banking Institution —					<b>EQUIPMENT AND OTHER ASSETS</b>	3			1,522,000
Subsidiary of the Parent Company		37,275,000		31,530,000					
			190,813,000	132,246,000	<b>LIABILITIES OF CUSTOMERS (see contra)</b>				
<b>DEPOSITS FOR THE GRANTING OF LOANS</b>					Documentary Credits		517,000		883,000
Government Deposits		21,532,000		16,952,000	Guarantees		3,662,000		1,514,000
Deposits and Loans from Bank of Israel and							4,179,000		2,197,000
Banking Institutions		561,000		396,000					
Other Deposits		513,000		370,000					
			22,606,000	17,718,000					
<b>OTHER ACCOUNTS</b>			4,284,000	4,377,000					
<b>LIABILITIES ON ACCOUNT OF CUSTOMERS</b>									
(see contra)									
Documentary Credits		517,000		883,000					
Guarantees		3,662,000		1,514,000					
			4,179,000	2,197,000					
			229,623,000	163,971,000					

The Notes to the Financial Statements form an integral part thereof.

Y. BOSH  
Chairman of the Board

S. KHAYAT  
Director

E. ASHKENAZI  
General Manager

#### THE ARAB ISRAEL BANK LIMITED

##### NOTES TO THE FINANCIAL STATEMENTS OF THE BANK FOR THE YEAR ENDED DECEMBER 31, 1975

(Amounts appearing in the Financial Statements have been rounded off to thousands of Pounds)

##### 1. ACCOUNTING POLICIES

- a. Foreign Currency and Linkage  
Assets and liabilities (other than debentures) in foreign currency and those which are linked are stated as follows: —
- (1) Those in foreign currency — at the rates of exchange in effect at the balance sheet date. During the year, the Government adopted the policy of "creeping devaluation" of the Israeli pound to the U.S. dollar. Following a series of several such devaluations, the official rate of exchange at December 31, 1975 was IL7.10 = US\$1. — (December 31, 1974: IL6. — = US\$1. —).
- (2) Those linked to the consumer's price index or to the mortgage index — on the basis of the last index published prior to the balance sheet date.
- Income and expenses in foreign currency have been included in the statement of profit and loss at the weighted average rates of exchange in effect during the year. The excess which is immaterial, arising from adjusting these income and expense items due to the change in the official rate of exchange during the year have been included in the statement of profit and loss under the item "Other Income".
- b. Securities
- (1) Debentures.  
Debentures approved for investment have been included at cost with the addition of accrued income. These debentures were acquired for investment purposes, not for trading, and will be redeemed at their nominal value with the addition of linkage differences and interest. Market fluctuations of these debentures do not affect the results of operations of the Bank, as the method of accrual of linkage differences and interest during the period in which they are held ensures that their value upon redemption will be identical with their book value on that date. Other debentures have been included at cost with the addition of accrued income, or at their value whichever is lower, for each debenture separately. The value of quoted debentures has been taken as quoted on the stock exchange. "Accrued income" means linkage increments and interest accrued on the debentures since acquisition.
- (2) Shares in Subsidiaries.  
Unquoted shares in subsidiaries are included at cost or at their net equity, whichever is lower.
- c. Equipment and other assets  
These assets are shown at cost less accumulated depreciation and amortization. Depreciation is computed based on the estimated useful life of the assets.
- d. Severance pay  
The Bank's liability for severance pay is covered by deposits (including profits and linkage increments accrued thereon) in an Approved Fund. The liability and the accumulated sums in the fund are included under the items "Other Accounts" in Assets and Liabilities. Income on sums deposited are included in the statement of profit and loss under the items "Commissions and Other Income".
- e. Subsidiary Companies  
The bank has two subsidiaries, both of which are insignificant, and therefore their financial statements have not been consolidated with those of the Bank (see Note 2b).
- f. Tax on Income  
The provision for service tax levied on income is included under this heading. The provision for service tax levied on salaries appears under the item "Other Expenses".

	DECEMBER 31, 1975			DECEMBER 31, 1974		
	Unquoted	Quoted	Market	Unquoted	Quoted	Market
	Amount	Amount	Value	Amount	Amount	Value
	Balance Sheet	Balance Sheet	Balance Sheet	Balance Sheet	Balance Sheet	Balance Sheet
	IL	IL	IL	IL	IL	IL
Government of Israel debentures — approved for investment	3,004,000	787,000	827,000	2,494,000	1,182,000	1,389,000
Other Government of Israel debentures	—	103,000	103,000	—	88,000	88,000
Others	—	103,000	103,000	—	88,000	88,000
	3,004,000	840,000	830,000	2,490,000	1,280,000	1,377,000

Unquoted Government of Israel debentures approved for investment include IL1,619,000 (1974 — IL1,451,000) of non-transferable Government of Israel Compulsory Loans.

The balance sheet includes accrued income as follows: —

	December 31, 1974		December 31, 1975	
	IL	IL	IL	IL
Debentures approved for investment	1,535,000		1,571,000	
Other debentures	69,000		50,000	
	1,604,000		1,621,000	
<b>Shares in Fully-owned Subsidiaries</b>				
	IL	IL	IL	IL
Investment Company of the Arab	54,556		19,217	
Israel Bank Limited	1		1	
Besco Limited	54,556		19,218	

There is a liability of IL70,000 for the purchase of shares in the Investment Company of the Arab Israel Bank Limited, payment for which has not yet been called for.

##### 3. EQUIPMENT AND OTHER ASSETS

This item includes furniture and equipment, leasehold rights, and leasehold improvements.

##### 4. OTHER EXPENSES

This item includes IL280,000 (1974 — IL110,000) for service tax levied on salaries paid (see Note 1f).

##### 5. PROVISION FOR TAXES ON OPERATING PROFIT

- (a) Provision for taxes on income includes IL350,000 (1974 — IL190,000) for service tax levied on income.
- (b) The Bank has received final income tax assessments up to and including the year 1974.

##### 6. PARENT COMPANY AND SUBSIDIARY COMPANIES

The balance sheet headings, appearing hereunder, include the following balances: —

	DECEMBER 31, 1975		DECEMBER 31, 1974	
	Bank Leumi Le-Israel B.M. (Parent Company)	Subsidiary Companies	Bank Leumi Le-Israel B.M. (Parent Company)	Subsidiary Companies
	IL	IL	IL	IL
<b>Assets</b>				
Cash in hand and balances with Bank of Israel and banking institutions, including deposits relating to savings schemes in the amount of IL35,300,000 (1974 — IL22,672,000)	74,071,000	—	46,614,000	—
Special deposit with banking institution	37,275,000	—	31,830,000	—
Loans and bills discounted	—	480,000	—	408,000
<b>Liabilities</b>				
Other accounts	424,000	—	365,000	—
Liabilities on account of customers	758,000	—	1,077,000	—

##### 7. COMMITMENTS

There are commitments for leasehold improvements in the amount of IL90,000 (1974 — IL150,000).

##### 8. STATEMENT PURSUANT TO SECTION 197(b) OF THE COMPANIES ORDINANCE

The provision for loss in a subsidiary company as at December 31, 1974 was reduced by the income of that subsidiary during the current year. The other subsidiary acts as a trustee for the Bank and had neither profit nor loss.

Y. BOSH  
Chairman of the Board

S. KHAYAT  
Director

E. ASHKENAZI  
General Manager

##### REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE ARAB ISRAEL BANK LIMITED

##### THE ARAB ISRAEL BANK LIMITED

We have examined the Balance Sheet of The Arab Israel Bank Limited as at December 31, 1975 and the Statement of Profit and Loss for the year then ended. Our examination was made in accordance with generally accepted auditing standards, including those prescribed by the Auditors' Regulations (Mode of Auditors' Performance) 1973, and accordingly we have applied such auditing procedures as we considered necessary in the circumstances.

Our opinion, also, on the Financial Statements present fairly, in conformity with generally accepted accounting principles, the financial position of the Bank as at December 31, 1975 and the results of its operations for the year then ended.

Pursuant to Section 199 of the Companies Ordinance, we state that we have obtained all the information and explanations we have required and that our opinion on the above Financial Statements is given according to the best of our information and the explanations received by us and as shown by the books of the Bank.

SOMEKH, CHAIKIN, CITRON & CO.  
Certified Public Accountants (Israel)

Haifa, January 23, 1976

#### THE ARAB ISRAEL BANK LIMITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 1975

	Note	1974	
		IL	IL
<b>OPERATING INCOME</b>			
Interest on Loans and Discounting of Bills*		9,218,000	6,219,000
Interest on Deposits with Bank of Israel and Banking Institutions*		20,747,000	10,046,000
Income on Debentures Approved for Investment*		1,042,000	1,708,000
Income from other Securities*		35,000	923,000
Reduction in Provision for Doubtful Debts, Net		—	185,000
Commissions and Other Income		3,675,000	1,736,000
		34,718,000	20,817,000
<b>OPERATING EXPENSES</b>			
Interest on Deposits, Savings and Loans*		21,333,000	11,855,000
Interest on a Capital Note		90,000	90,000
Commissions		8,000	7,000
Provision for Doubtful Debts, Net		133,000	—
Salaries and Related Expenses		5,064,000	3,201,000
Occupancy of Premises		427,000	286,000
Depreciation and Amortization of Equipment and Other Assets		193,000	149,000
Other Expenses	4	2,747,000	1,822,000
		29,995,000	16,910,000
Operating Profit Before Taxes on Income		4,723,000	3,907,000
Provision for Taxes on Operating Profit	5	2,950,000	2,390,000
Net Operating Profit Before Extraordinary Income		1,773,000	1,517,000
<b>EXTRAORDINARY INCOME</b>			
Reduction of Write-Down of Investment in a Subsidiary Company		35,000	19,000
Net Profit for the Year		1,808,000	1,536,000
Balance of Profit — Beginning of Year		203,000	187,000
Profit Available for Appropriation		2,011,000	1,703,000
Transfer to Capital Reserve		1,775,000	1,500,000
Balance of Profit — End of Year		236,000	203,000

\* Includes linkage differences.

The Notes to the Financial Statements form an integral part thereof.



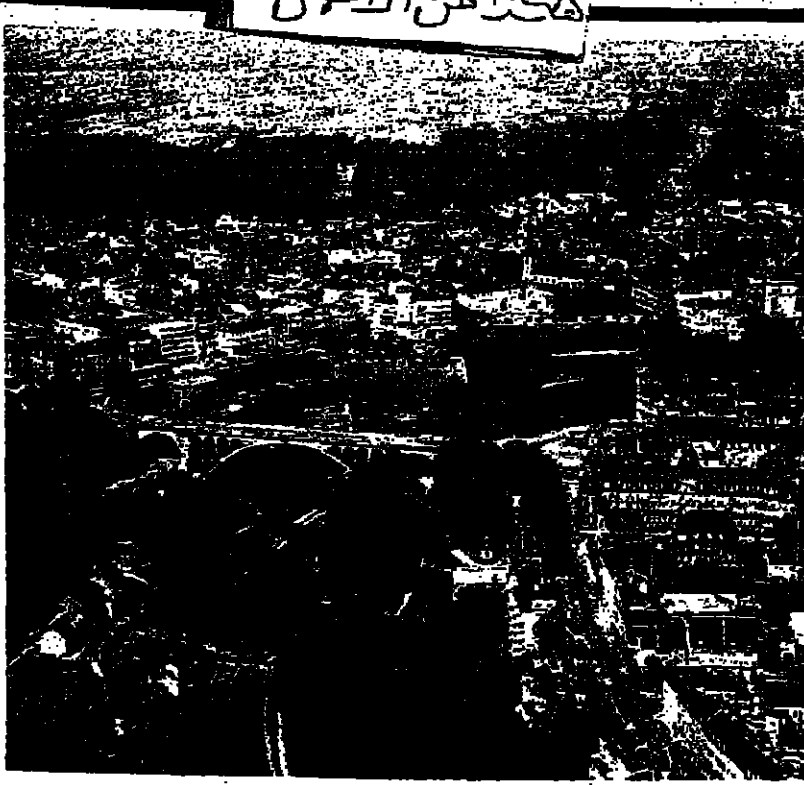
THE GRAND DUCHY of Luxembourg seems a pretentious name for a tiny state whose 357,000 inhabitants live on an area of under 1,000 square miles. But its history dates back over a millennium to the year 963 when Siegfried, Count of the Ardennes, built a castle on the site of the present-day capital and founded the Luxembourg dynasty. By the end of the Middle Ages, the local family had given four superiors to Germany, four kings to Lorraine and one king to Hungary. Set at the cross-roads between France and Germany, Luxembourg was predestined to be a battleground between its powerful neighbors from the Middle Ages right up to the 19th century. But today the Grand Duchy has a new vocation: as a forum for thrashing out Europe's problems by peaceful debate and discussion.

Luxembourg emerged politically intact from five years of Nazi occupation. The victors recognized its government in exile throughout World War II. In spite of the loss of 1,000 of its pre-war 250,000 population in battle and thousands of others who were deported to the death camps, material damage caused by the desperate German offensive in the Ardennes during the war's closing months was soon made good.

But then the Grand Duchy found itself facing new problems. In 1951, Robert Schuman, a Frenchman who spent his youth in Luxembourg, succeeded in infusing a supranational spirit in the Western European capitals. Schuman's achievement was the European Coal and Steel Community which welded together the industrial destinies of a future foundation members of the Common Market: France, Belgium, Germany, Italy, Luxembourg and the Netherlands.

The Grand Duchy, located in the east of Western Europe with an important steel industry of its own, was logical choice for E.C.S.C.'s headquarters. Steel still retains its leading position in Luxembourg's economy. Per capita output exceeds 1 tons, compared with 0.8 tons for Germany, 0.5 for France and 0.7 tons for the United States.

The steel industry is centered around the ARBED, which functions through state subsidies — unlike its competitors in France and Belgium — and which currently invests 60m. dollars in modernization programs each year. The industry is one of the most modern and productive in Europe in spite of high salary levels which are 30-40 per cent above those in the rival steel mills across the French border inorraine.



## Luxembourg — the pulse of Europe

By JACK MAURICE / Jerusalem Post Correspondent

Steel accounts for 47 per cent of all jobs in Luxembourg industry and its turnover is three times the Grand Duchy's budget. It also represents two-thirds of manufactured exports. But steel, which has been the source of Luxembourg's wealth since the end of the 19th century, is extremely sensitive to fluctuations in world business activity. Every five year period includes at least two years of feeble expansion for the Grand Duchy.

The first President of the European Coal and Steel Community was Jean Monnet. On his initiative a special Council of Ministers of the six member governments was formed. Like the E.C.S.C.'s High Authority, the Council was based in Luxembourg. The Grand Duchy made available a vast tract of land on the Kirchberg Plateau just across the Alzette Valley from the capital for the headquarters buildings of Europe's first political institution.

LUXEMBOURG'S European vocation extended with the first session of the European Court of Justice in 1952 a few weeks after the first meeting of the E.C.S.C. Ministers. When the Common Assembly opened during the same year in Strasbourg it chose Luxembourg as the home of its permanent secretariat.

In 1958 the members of E.C.S.C. signed the Treaty of Rome creating the European Economic Community and the European Atomic Energy Community. These new bodies were sited in Brussels. This new situation raised problems of adjustment for Luxembourg which had been the seat of E.C.S.C.'s major institutions since 1952. In 1965 the six countries agreed to merge the Communities' executive bodies into a single "Executive Commission." This called for the transfer of 1,400 staff workers from Luxembourg to the new centralized H.Q. in Brussels.

To compensate Luxembourg for

this loss, the Grand Duchy was chosen as the permanent home of the European Community's legal institutions and provision was made for the E.C.C.'s Council of Ministers to meet in Luxembourg for three months each year. Staff members of the Communities' main banking institutions were transferred to Luxembourg along with the secretariat of the European Parliament and the Office of Publications.

Luxembourg has thus been able to continue to play an increasingly important part in the development of Europe's political and economic unity, thanks to its role as host to key European institutions in the Kirchberg complex which now comprises a skyscraper, conference halls, schools and law-courts.

LUXEMBOURG has also acquired an increasingly important position as a banking centre. Over 50 international banks — three times as many as in 1955 — now operate in the Grand Duchy. Deposits have tripled and the 4,200 employees represent a fourfold increase. This banking boom owes its success to the tax-free status of holding firms in Luxembourg. The Grand Duchy is also a leading centre for the issue of Eurodollar and European currency loans.

Although Luxembourg's population represents only 0.2 per cent of the entire Common Market, its political influence far outweighs its numerical insignificance. Luxembourg's Prime Minister and Foreign Minister Gaston Thorn takes his turn with his European colleagues in presiding over EEC's Council of Ministers.

Thorn, 48-year-old president of the Grand Duchy's Democratic Party, has been Prime Minister since 1974. He is currently President of the General Assembly of the United Nations as well as of the E.E.C. Council of Ministers. Luxembourg cannot afford political ambitions which would counter those of its big neighbors. But it can act as a cement to consolidate European unity. Thorn is well aware of the limitations and the possibilities of Luxembourg's role. He summed them up in a recent speech to the Grand Duchy's Chamber of Deputies:

"Glory and the price we pay for it are meaningless unless they can find their motive and justification in the interests of a small country which could not survive and prosper unless it maintains active bonds of solidarity with the immense world which surrounds it."

WALTER CLAY LOWDERMILK

PIONEER ENVIRONMENTALIST

## A man who cared for the earth

Special to The Jerusalem Post

AFTER HIS FIRST visit to the Land of Israel in 1939, Walter Clay Lowdermilk declared that the Jews of Palestine "have done the finest reclamation of old land that I have seen on four continents, and theirs is the most successful rehabilitation of land and people in modern times." This is told by the widow of the renowned American soil and water conservationist who died in 1974, in her book, entitled "Modern Israel: Fulfillment of Prophecy" and subtitled "A Christian Speaks Out!" The booklet is published by the California Christian Committee for Israel of which she is a founder and honorary chairman.

Inez Marks Lowdermilk has spoken out before and since the establishment of the State of Israel. During World War II, she had made hundreds of speeches across America to let the world know what was happening to the Jewish people in Nazi-dominated Europe.

Daughter of a Methodist minister, Mrs. Lowdermilk knows her Bible. She studies her text like a star-spangled flag with jewels quoted from the Prophets.

In a concise, straightforward style that makes dynamic reading, she produces one achievement of modern Israel after another as proof of the fact that what is happening in Israel today is exactly what the Prophets foretold that "it shall come to pass." Again and again stress is laid mainly on the return of Israel's people and the reclamation of its waste land.

To her, there are no "occupied territories," or else "occupied" means those territories that belonged to Israel in Biblical times and are now part of other countries. Jordan was sliced off by Britain from Palestine, territory that, by the law of history and the Bible, should be part of the Land of Israel. One of the several, well-drawn and well-documented maps that adorn the inside of the jackets and another three full pages, shows the "Israelite Kingdom of David and Solomon ca. 1000 B.C.E." spreading over 120,000 km on both sides of the Jordan River and beyond Mt. Lebanon (sic) and Damascus in the north. Another map depicts "Palestine — The Jewish National Home, 1919" and stresses that "The whole country on both sides of the Jordan was destined as the Jewish National Home according to the Balfour Declaration of 1917 and the negotiations of the Paris Peace Conference 1919." It is Mrs. Lowdermilk's firm belief that there would have been no wars, no refugees, no tragic aftermath, had the British only fulfilled the mandatory task entrusted to them.

It is impossible to separate Mrs. Lowdermilk's life story from what is expressed in her book, or from the career of her late husband. The Lowdermilks visited Israel many times, as Dr. Lowdermilk developed a close working association with this country. In his book, *Palestine, Land*

The Lowdermilk Memorial Forest is to be dedicated today at Mt. Tur'an in the Galilee. Emma Kimor describes the vision and work of Dr. Lowdermilk and his widow Inez, and their special relationship with Israel.



W. C. Lowdermilk

of Promise, he proposed bringing down to the south the waters of the north, thus giving the green breath of life to the thirsty desert. A prophetic vision — based, however, on expert knowledge and scientific proof. He had planned the Tennessee Valley Authority, a basically similar project, which became famous. By expanding Palestine's agricultural and economical potentialities, the Lowdermilk Plan as it came to be known envisaged the settling of the arid zones with a population of 2-3 million people. But then, the British Government published the White Paper restricting Jewish immigration because Palestine could allegedly not absorb more than the half-million already there. As was to be expected, the Lowdermilk Plan did not make its author popular with either the British or the Arabs. However, after the establishment of the State, the construction of the National Water Carrier partly brought about its realization.

In 1951, the Lowdermilks came to live in Israel to give a year of volunteer service to "the young little nation." They remained for five

more years, their stay sponsored by the Food and Agricultural Organization of the United Nations. This memorable stay in Israel, cherished by the hundreds of friends this extraordinary couple made here and entertained at their home in Panorama Road on Mount Carmel, is commemorated forever by two living landmarks.

Entirely different in character, they both bear the name of Lowdermilk. One is the Lowdermilk school of Agricultural Engineering, set up by Professor Lowdermilk at the Haifa Technion of which he was the first Head. Year after year, the Lowdermilks raised funds for building and for student scholarships abroad. A well-known fund-raising function, bringing in thousands of dollars, is the annual luncheon in honour of Inez Lowdermilk's birthday: she was 88 last February.

The other is Sharon Vale Lowdermilk, a "sabara" grandchild born to their forestry expert son, Skip, while he was also here with his family on a U.N. assignment.

Today a third landmark will perpetuate the Lowdermilk name in Israel. The Professor Walter Clay Lowdermilk Memorial Forest, planted by the Jewish National Fund, in cooperation with the California Christian Committee for Israel, is to be dedicated at Mt. Tur'an and Mrs. Lowdermilk will be present at the ceremony.

Nothing could be more fitting to honour this great, selfless man, who loved and cared for the earth and its people, than the planting of trees to retain the soil, fight the winds and attract the rains. The many environmental organizations recently established may well see their first roots in that dedicated, sturdy pioneer, whose prophetic foresight drove him across the continents teaching, admonishing, and preaching for the cause of Man and Nature. He always said that, if Moses had foreseen the destruction mankind would bring upon the world around him, he would have added an Eleventh Commandment concerning "man's responsibility to the Holy Earth." Dr. Lowdermilk's Eleventh Commandment is engraved on a plaque at the Technion and also concludes Mrs. Lowdermilk's book.

"Thou shalt inherit the Holy Earth as a faithful steward, conserving the productivity and resources from generation to generation. Thou shalt safeguard thy fields from soil erosion, thy living waters from drying up, thy forests from desolation, and protect the hills from over-grazing by thy herds, that thy descendants may have abundance forever. If any shall fall in this good stewardship of the earth, thy fruitful fields shall become sterile, stony ground or wasteland, and thy descendants shall decrease and live in poverty, or perish from off the face of the earth."

## The days of the fish-hunters are numbered

By UVEDALE TRISTRAM

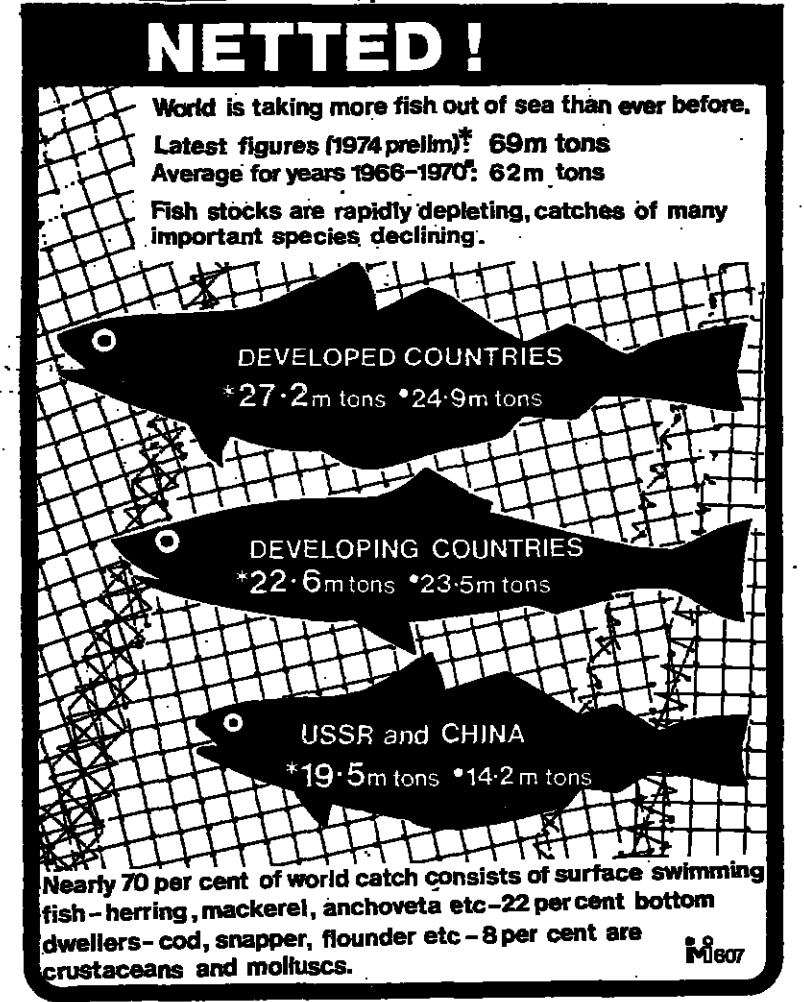
THE WORLD is taking more and more fish from the seas and some of the most valuable stocks are in danger of being wiped out. This causing concern to fishery experts who believe that some species could be fished out altogether unless action taken to conserve them. The matter will be raised when the Third N Law of the Sea Conference resumed in New York this week. During the past ten years, major political and economic influences have been at work in the international sea fishing industry. In 1960, the industry seemed capable of sustaining limitless expansion. Today it is generally accepted that the upper limits of large scale commercial production are rapidly approaching for many fish. In some cases, especially in the northern hemisphere, these limits have already been reached or passed. This is the background to the fisheries dispute between Britain and Iceland.

In the mid-sixties the bulk of the world's catch came from the North Pacific and North Atlantic oceans. Now there is increasing activity in the waters south of the Tropic of Cancer. The pattern of world fishing has also been altered by several important developments — the debate on national fishery zones, the rise in the price of oil, inflation, the higher costs of boats and equipment, labour unrest, and changing world attitudes on overfishing, conservation, and international cooperation.

By YAACOV FRIEDLER

Jerusalem Post Reporter  
S LEISURE TIME on the increase? West Berlin professor, here to work with Technion experts on a joint project on open air recreation, thinks not. Dr. Hans Klemstedt told *The Jerusalem Post* that the "increased leisure time of the future," which had been foreseen in the sixties following the widespread implementation of computer-controlled automation, has, in effect, turned out to be a myth.

"Experience has shown that disposable leisure time has not increased as a result of the industrial



Large scale sea fishing may well be moving towards a permanent decline. A UN Development Programme paper points out: "Fishing remains the major food producing system in the world that continues to rely on hunting and the exploitation of wild stocks. Yet the days of man the hunter of fish are numbered. In his place must come the manager of natural resources and the fish farmer."

Fish farming is being carried out successfully in fresh water in many countries. Sea farming has hardly been tried. Yet its range of possibilities is great and varied. Trout and salmon are being successfully grown in floating cages in Japan, New Zealand, Norway and the United States.

The fishing resources of the seas and oceans are unevenly distributed. The largest and most lucrative fishing grounds are found close to a somewhat limited number of coastal states. In addition, some developing coastal nations lack the ships, the equipment and the knowledge to exploit their own fisheries to the full. The benefits of their fishing grounds go to the richer nations who are able to use their sophisticated equipment far from their own coasts.

UNDP has now taken the first steps to start a global Aquaculture Development Programme. Other projects under consideration include the development of unused fish resources in the Southern Ocean, an international fish market information centre and a plan to increase fresh water fish production in the Sahel zone of Africa. (Gemini)

## The myth of more leisure

automation revolution," said Dr. Klemstedt, Director of the Institute for Landscape and Open Space Planning at the Technical University of West Berlin. "True, we work fewer hours. But, at the same time, we do not have more free time, to dispose of as we wish."

There were several reasons for this, he noted. One such reason is that the stresses of automated work have taken their toll in terms of health, causing a number of people to spend a good deal of time seeking

medical attention.

Furthermore, the higher living standards brought about by automated industry has resulted in people spending much more time shopping for goods which they did not find necessary to possess or consume in the past, or perhaps could not afford. Then, of course, time is wasted sitting on the congested roads which have resulted from the larger number of cars people can now afford.

Finally, the greater skills demand-

ed by automation forces more and more people to spend more and more time taking courses to enable them to keep up with their work requirements.

Thus, concluded Dr. Klemstedt, "We may work less, but we have less time as well. And in addition, the managerial echelons in industry must, in fact, work more to enable others to work less," he said.

Dr. Klemstedt, together with a small team of experts from his university, is working with a Technion team to formulate a "Comprehensive Planning Model for Outdoor Recreation."

English Translations just published  
IMPORT OF SERVICES TAX — FOREIGN TRAVEL TAX  
INCLUDING ORDERS AND REGULATIONS AS ON 26/2/76

Translator: Gabriel Allon  
Price: English Translation, IL20;  
Hebrew Original, IL10;  
Both Together, IL25.

GABRIEL ALLON PUBLICATIONS  
Haifa: P.O.B. 33076  
37 Rehov Hananial  
Tel. 04-552325, 552341

HAIFA MUNICIPALITY  
Department of Culture, Education and Arts  
The Dr. P. Schiff Haifa Municipality Prize  
will be awarded during 5736 Independence-  
Day celebrations

Authors and publishers, institutions and organizations are invited to submit entries for the above prize, which is awarded for art books. Reference books and books giving the results of research, written in Hebrew (original language or translations into Hebrew) may be submitted. The subject matter should be in any field of art, plastic arts, art graphics and photography, or the history of art. Books should have been printed in the last three years, but manuscripts that have not yet been published may also be submitted. Books and manuscripts should be submitted in four copies, not later than March 31, 1976, to the Dept. of Culture, Education and Arts, Haifa Municipality, 20 Rehov Y.L. Peretz, Haifa.

ENGLISH SPEAKING PUBLIC AND TOURISTS  
Special Purim Attraction  
THE SOUL MESSENGERS  
25 artists present an exciting show of  
POP ★ JAZZ ★ SOUL MUSIC ★ SPECTACULAR DANCES ★  
TONIGHT, March 17 at 9.00 p.m.  
BINYENI HA'OMIA, Jerusalem

Tickets: Cabana, Ben-Naim and at the box office

## THE 5 STAR TRADITIONAL PESACH SEDER

NOW'S THE TIME TO MAKE  
YOUR RESERVATIONS FOR  
THE PAL HOTEL'S  
TRADITIONAL 5 STAR  
SEDER. CANTOR REUVEN  
FRUCHTER, ACCOMPANIED  
BY A MEN'S CHOIR WILL  
CONDUCT THE SEDER.



For reservations  
call the Pal Hotel  
Banquet Department  
Tel Aviv 03-445111

CIS CONTINENT-ISRAEL  
SCHIFFAHRTSGES. m.b.h. & Co. K.G.

THE DIFFERENCE IS IN THE SERVICE

An efficient independent Shipping Line with  
modern multipurpose vessels built in 1974/75

DONAR — LINDAUNIS — THUNAR — NORDWIND

Serving BREMEN — HAMBURG — ROTTERDAM —  
FELIXSTOWE (U.K.) — ANTWERP — HAIFA —  
and HAIFA — BREMEN — HAMBURG —  
ROTTERDAM — FELIXSTOWE — ANTWERP.

Frequent sailings — reasonable rates.

Israel General Agents: ALLALOUF & CO.

TEL AVIV: 94 Allenby Road, Tel. 613389, 611757, 614040  
HAIFA: 6 Rehov Khayat, Tel. 667752/3

## Take Israel home with you.

You're having a marvelous trip, and to prove it, you have pictures, slides, maybe movies, ceramics, books, jewelry and assorted agurot.

Soon you'll have wonderful memories... and a stronger relationship with the people of Israel. If you want to continue that relationship you'll have to keep up with what's going on here.

Now's the time to order The Jerusalem Post Overseas Weekly and get your news airmailed to you every week. The Jerusalem Post is the best source of information and not only for you and

your family, but for your friends and neighbors who haven't been to Israel and who still aren't convinced.

Order The Jerusalem Post Overseas Weekly today by calling (02) 528181 or using the coupon below. It's really the only way to keep in touch with Israel... until the next time you're here.

THE JERUSALEM  
POST  
WEEKLY OVERSEAS EDITION

Yearly subscription rate (by Airmail)  
Canada, U.S.A., Central America, South East Asia, Africa IL 212.50 U.S. \$25.00  
United Kingdom, Europe IL 170.— U.S. \$20.00 \$10.—  
South America, Japan, Australia, New Zealand IL 255.— U.S. \$30.00

THE JERUSALEM POST WEEKLY  
P.O.B. 81, Jerusalem

Please send THE JERUSALEM POST WEEKLY for one year to

Name \_\_\_\_\_

Address \_\_\_\_\_

My cheque for \_\_\_\_\_ is enclosed.

New subscriptions and changes effective within 3-4 weeks.







## AFTER THE PRICE-INDEX RISE Tax burden will not be bigger in real terms

Jerusalem Post Economic Correspondent  
Following an increase in the price index of about 15 per cent during the last six months, tax scales have been adapted — as recommended by the Ben-Shahar Tax Reform Committee — so that the tax burden will remain no greater than in real terms.  
Thus the tax-exempt unit (two for the taxpayer, one for his wife, one for each of his first two children, etc.) is lifted from IL100 month to IL115.  
But the tax brackets (the level of income at which the taxpayer goes to a higher tax level) have not been put up by only 70 per cent of the index rise, or 10.45 per cent. A decision was taken by the Ministry of Finance.  
Also social benefits (e.g., the tax-exempt allowance at the workplace, etc.) increased by no more than 70 per cent of the index rise. The new tax tables come into force April 1, and are not affected by the cost-of-living allowance.  
Here is the situation for wage-earners:

Income	Income
Up to IL2,000	Up to IL2,325
IL2,000-5,500	IL2,325-6,075
IL5,500-8,500	IL6,075-9,175
IL8,500-11,500	IL9,175-12,275
IL11,500	IL12,275

### Subsidies will go up if Vat is early

Jerusalem Post Reporter  
PRICES of 14 basic commodities subsidized by the Treasury will not be raised again in the coming six months, according to Deputy Secretary-General Yehoshua Meshel.  
Meshel told reporters in Tel Aviv Monday that the Government intended to increase subsidies if Value Added Tax is imposed before October.  
He also said the Labour Federation will continue its efforts to pressure the Government to increase its allocation to health services. Otherwise hospital fees would rise considerably and Histadrut membership dues — which include Kupat Holim insurance — may be doubled.

### Tel Aviv to grow — up

By SARAH HONIG  
Jerusalem Post Reporter  
L AVIV. — After many years of deliberations the local Planning Commission has finally approved a plan for the expansion of Tel Aviv. The plan relates chiefly to the centre of town, where some 10,000 flats could be added.  
The commission says that the present plan for the expansion of Tel Aviv will now be granted for the development of buildings in the central sections of town, where one- and two-story buildings are still common. The areas are between the Yarkon River in the north and Nahmani Street in the south, and between Ben Gurion Street in the east and the beach in the west. In all, the plan covers a 4,500 dunam area, and prices about 9 per cent of the

### Training West Bank farmers

By YEZAKHARI  
Jerusalem Post Reporter  
HON LEZION. — Agronomists in Judea and Samaria have been giving intensive job proposals in the area, particularly in the Jordan Valley, and are expected to complete special courses in agronomy in Israel, the chairman of the Agricultural Research Organization (ARO) at the centre said here yesterday.  
The spokesman stated that his organization had already held three courses for Judea and Samaria agronomists and next week it is starting its fourth, for 12 agronomists for pasture and legume crops. It will be a month-long course, which will include lectures, working laboratories and study tours to

### Bosses complain about wages

By YA'ACOV ARDON  
Jerusalem Post Reporter  
FA. — Wage demands ranging from 20 to 150 per cent have been submitted by trade unions in the north, with the backing of the Herta and Paul Amirson Foundation, according to the northern office of the Coordinating Bureau for Economic Organizations, an employers' body. According to a bureau press release, some demands, notably in the tile industry, are likely to be wage bills.  
The demands, according to the bureau office, contradict the guidelines for negotiating signed jointly by the Bureau's main employers and the Histadrut. This document recommended a maximum wage

### W YORK STOCK EXCHANGE Tuesday, March 16, 1976

### Market gaining again

NEW YORK. — Stocks were rising yesterday after overcoming session hesitation. The Dow Jones industrial average was up 14.47 points to 978.83, and leading issues took a small lead.  
commentary and selected list of stocks are based on the quotations p.m. New York time.

United Chemical	40%	Union Carbide	74%
Union Carbide	48%	United Technologies	57%
American Brands	43%	U.S. Steel	58%
American Can	34%	Westinghouse Elec.	16%
American Tel and Tel	56%	Woolworth	24%
Amoco	21%	Avon Prod.	40%
Armstrong Steel	44%	Boeing	28%
Avco	18%	Boise Cascade	25%
Avco Corp.	147%	Chicorp	32%
Eastman Kodak	111%	Control Data	24%
Eastman Inc.	39%	Disney	59%
Exxon	88	Dome Mines	42%
General Electric	51%	Fairchild Camera	1%
General Foods	26%	General Dynamics	47%
General Motors	68%	IBM	280%
Goodyear	1%	Int. Tel. Tel.	27%
Harvester	26%	LTV Corp.	14%
Heater	33%	McDonalds	61%
Heater Paper	5%	Natl. Semiconductor	50%
Hess	29%	NOR Corp.	28%
Hess-Midvale	—	Polaroid	40%
Johnson and Johnson	82%	RCA Corp.	27%
Kodak	73%	Sperry Rand	40%
Kodak Oil of Calif	30%	Syntex	30%
Kodak	25	Xerox	62%

Prices courtesy of BANK LEUMI LITVINSKY & CO. open telefax line to Wall Street, New York, open from 5-11 p.m. Phone: 62-62376-8. A complete brokerage service.



A worker at the Iscar carbide plant in Nahariya.

## A call for private industrial ownership

By YA'ACOV FRIEDLER  
Jerusalem Post Reporter

HAIFA. — Stef Wertheimer, the Nahariya industrialist who stepped up production by instituting a tax reform at his own expense over a year before the government began the current tax revision, this week called for a major slash in the State budget.  
Speaking at the Engineers Club here, Wertheimer said the budget should be cut from IL24,000m. to IL17,800m. with a firm commitment not to table any additional budgets during the current fiscal year. This, he said, would be the only way to encourage workers to leave the unproductive services and go into industry.  
With the budget cut, the ministries would simply be unable to replace the 20,000 civil servants who leave annually through natural attrition. At the same time, he said, civil service wages should be frozen while industries should be encouraged to grant better conditions.  
"My own plant, which does a lot of exporting, can't operate a second shift for lack of skilled workers, and I know there are many more like us," he said. "The skilled men still prefer government or public service. In my opinion far too many have become vocational instructors, in vocational schools whose graduates become insurance agents."  
The founder and manager of the Iscar firm, which manufactures carbide, also felt there were far too many professional advisers in public services. "It is not changed quickly, ours may become the best documented bankruptcy in history," he warned.  
Mr. Wertheimer introduced the tax reform in his own plant, to en-

couragement his workers to do more. He said he did so "in order to force the government to act by setting an example." He said that now industries should leave the control of the government and the Histadrut and go to private investors.  
"I feel the whole system is out of balance, with the vast majority of workers employed by either government or Histadrut-owned enterprises. I advocate the sale of every possible government enterprise to private investors or shareholders. As for the Histadrut I believe they cannot keep on wearing two hats, that of a Trade Union and of a large scale employer."  
He was confident that if industry were properly run by private owners or shareholder appointed managers, Israel's real potential could change the present grave economic situation.

trition. At the same time, he said, civil service wages should be frozen while industries should be encouraged to grant better conditions.

"My own plant, which does a lot of exporting, can't operate a second shift for lack of skilled workers, and I know there are many more like us," he said. "The skilled men still prefer government or public service. In my opinion far too many have become vocational instructors, in vocational schools whose graduates become insurance agents."

The founder and manager of the Iscar firm, which manufactures carbide, also felt there were far too many professional advisers in public services. "It is not changed quickly, ours may become the best documented bankruptcy in history," he warned.

Mr. Wertheimer introduced the tax reform in his own plant, to en-

couragement his workers to do more. He said he did so "in order to force the government to act by setting an example." He said that now industries should leave the control of the government and the Histadrut and go to private investors.

"I feel the whole system is out of balance, with the vast majority of workers employed by either government or Histadrut-owned enterprises. I advocate the sale of every possible government enterprise to private investors or shareholders. As for the Histadrut I believe they cannot keep on wearing two hats, that of a Trade Union and of a large scale employer."

He was confident that if industry were properly run by private owners or shareholder appointed managers, Israel's real potential could change the present grave economic situation.

trition. At the same time, he said, civil service wages should be frozen while industries should be encouraged to grant better conditions.

"My own plant, which does a lot of exporting, can't operate a second shift for lack of skilled workers, and I know there are many more like us," he said. "The skilled men still prefer government or public service. In my opinion far too many have become vocational instructors, in vocational schools whose graduates become insurance agents."

The founder and manager of the Iscar firm, which manufactures carbide, also felt there were far too many professional advisers in public services. "It is not changed quickly, ours may become the best documented bankruptcy in history," he warned.

Mr. Wertheimer introduced the tax reform in his own plant, to en-

## Britain fears civil service threat

By LAURENCE MARKS

LONDON. — The British are no longer a nation of shopkeepers. They are a nation of functionaries.  
The number of public officials, including those who are employed in State-owned industries, and the huge edifice of the social services, is steadily increasing. The size of the bureaucracy and its pay has become a political issue.  
The former Liberal Party leader, Lord Grimond, has made this the theme of his speeches. He complains that the country is being "choked by bureaucrats, each one out for himself." The civil service have "entrenched themselves as the most powerful trade union in the country, protected against inflation, guaranteed as to jobs and pensions, and with vast patronage."  
Grimond is not alone in his criticism. It has long been the stock-in-trade of Conservative politicians extolling the virtues of private enterprise and self-help. What has changed is that academics are now being expressed by people like Grimond who are not in principle opposed to State intervention in economic and social activity.  
And the emphasis is now on the practical limits to bureaucracy rather than on the ideological arguments against it. "We cannot continue to increase Britain's administrative staff that they outnumber the producers," Tory leader Margaret Thatcher said the other day. "We cannot go on with more and more officials to redistribute less and less wealth."  
The issue goes beyond bureaucracy to the total number of people employed in the public service. The most pessimistic analysis of the danger comes from two young Oxford economists, Robert Bacon and Walter Ertis. Seeking to explain the country's poor industrial performance (output increased by only 15 per cent between 1965 and 1975, compared with 35 per cent in the previous 10 years), they have identified a massive structural shift in the British economy since the early 1960s. Workers have been leaving factories at an accelerating rate and moving into services, of which central and local government are leading suppliers.  
This is an international trend among industrialized nations, but it is happening in Britain on a far greater scale than anywhere else. Non-industrial employment has increased by 32 per cent in relation to industrial employment in the years 1961-75, compared with 16 per cent in France, 14.7 per cent in Germany, 12.1 per cent in the U.S. and 8.9 per cent in Italy.  
In Britain, most of these former factory workers have taken jobs in central government, where numbers increased by 14 per cent during the period, and in local government, where they increased by a staggering 54 per cent.  
According to Bacon and Ertis this shift was the unintended consequence of government policies during economic recession. Governments spent more at these times, mainly to reduce unemployment. But the workers taken on in recession were not available for industry in subsequent booms, so that shortages of labour helped to bring these to an end sooner than would otherwise have happened. The pattern was then repeated in the next recession.  
The upsurge in non-industrial employment has reduced the contribution that productive industry can make both to exports and to industrial investment, Bacon and Ertis argue. The proportion of industrial production exported fell during the period from 12 to 9 per cent, and the proportion invested fell by a third to only 5.3 per cent. Poor investment has failed to provide the up-to-date machinery needed for economic expansion and failed to create new jobs in industry, thereby inflicting long-term unem-

ployment among the older unskilled workers.

This melancholy diagnosis confirms the day-to-day experience of businessmen who complain that the Government's policy of pay restraint — pay rises are currently limited to 5.6 per cent — prevents them from competing for staff with employers in the public sector, where wages and job security have improved in relation to the private sector.

At a popular level, resentment has more to do with these pay differentials than with sophisticated economic arguments. Of the 720,000 civil servants (central government staff), well over 80 per cent are paid the national average wage of £80 a week or less. Resentment is focused on a small cadre of senior administrators at policy-making level. It comes very largely from middle-class salary-earners and small entrepreneurs whose incomes have been severely hit by a combination of inflation, recession and high taxation.

A year ago, the five top grades of civil servants were given rises ranging from £1,825 a year to £3,000, bringing their salaries into the £12,000-£20,000 range, and these were only the first stage of larger increases that have since been put into bank by the pay restraint policy. Three months later, the next four grades received rises ranging from £1,115 to £2,765.

Most middle-class salaried people now earn less than a principal in the civil service (£7,450), and most university professors less than a senior principal (£9,350) — and these grades are at fairly low levels of policy-making.

The resentment is compounded by

the fact that top civil servants have used collective bargaining to reinforce their privileges. The last round of pay rises in the first half of 1975 opened up a sizeable gap between two sections of the largely non-unionized middle class: those working for big corporations that were strong enough to weather the storm and protect their employees' real incomes, and those working in firms that have taken a battering and cannot afford to insulate them against the economic temperature.

Public service employees are seen to be on the sunny side of this gap, entirely as a result of successful wage-bargaining at a time of national economic difficulties.

On present trends, a fifth of Britain's working population will be employed in the public service by the end of the decade. Last November, the civil service completed a six-month investigation into the possibility of reducing the number of civil servants. To nobody's surprise, it concluded that no significant reductions were possible without major political decisions.

Perhaps the most important change is that the need for such political decisions is now acknowledged by the Labour Government. It has announced its intention of cutting the number of civil servants and of reexamining the costly inflation-proofing of public service pensions introduced by the Conservative Government in 1971.

It is becoming common for Labour politicians to refer to the cost of administration in public discussions about the desirability of legislating for some new social reform. What is uncertain is whether past legislation has already, as Grimond fears, created a vested interest powerful enough to obstruct attempts to reduce the size and relative cost of the public service. (Otn)

## Can Beirut's economy make a comeback?

By BERNARD DEBUSMANN

BEIRUT. — Even before the recent flare-up of conflict in Lebanon, observers were asking whether the country was heading for a post-war boom or a permanent role as the economic has-been of the Middle East.  
In addition to the human tragedy — the deaths of 10,000 people, with another estimated 250,000 homeless — the year-long orgy of violence resulted in damage valued at anywhere from 10,700m. Lebanese pounds (\$4,000m.) to 25,000m. pounds (\$10,000m.). The latter figure roughly equates half of the country's GNP.  
As recently as two weeks ago the leaders of the Lebanese business and banking community saw promise of a return to the good old days. Among the optimists was Adnan Kassar, president of the Lebanese Chamber of Commerce. "I am confident that it will take only one or two years, three at the most, to rebuild Lebanon," he said in an interview.  
"There will be another boom here if security prevails. Life will be back to normal within two or three months — if security prevails." That is a big if, and the recent political turmoil has made it an even bigger if.  
The optimism of Mr. Kassar and other business leaders here is based on what they consider the absence of an alternative for Beirut.  
"There are various arguments in favour of Beirut," said Hikmat Nuwayd of the First National Bank of Chicago. "In no other Arab capital do you find such well-trained personnel, such good communications, such good air connections, such well-run hotels and such dynamic and vigorous people." The dynamism and vigour was apparent at all levels of society, in Beirut's fashionable Hamra district, bustling before the fear of lawlessness cleared the streets at around eight p.m. A pimp recently approached a foreign visitor with what was probably a uniquely Lebanese offer.  
"You want a beautiful girl who knows every trick in the book?" he asked. "No, he offered a boy with the same qualities. Turned down again, he said: 'O.K., I leave you alone but tell me, do you prefer boys or girls?'"  
Told the visitor's preference, the man said earnestly: "Come with me. I give you two girls for the price of one. Off-season rebate for you."

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.

Scarcely conceals the points in favour of Beirut, where even at the height of the war essential services such as communications worked better than in Cairo or Amman, contenders for the Lebanese capital's position.</



WEDNESDAY, MARCH 17, 1976 • VOL. XLVI, No. 13657

## Wage policy: illusion and reality

THE BEST that can be said for the Civil Servants' Union rejection of the Barak committee's recommendations is that it is short-sighted and self-defeating.

Not surprisingly, this ill-considered act of appeasement towards a vocal pressure group — the 18,000 Government employees who already get the special-functions allowance — has split the workers' side in two. The larger segment in the civil service, those who do not get the allowance, have dissociated themselves from their own union's stand.

The difficulty is not in preventing the extension of the allowance to those others, though they have practically all put in for it in their time. The problem is how to subtract the benefit from the people who already possess it.

It is true that nothing like this has been attempted before. Yet it is impossible to leave the existing situation unchanged. The Barak committee has revealed that there is nothing "special" about the allowance, which is just an ordinary wage rise. Departments that do not have it are prepared to waive their claim — provided the principle of equal pay for equal work is retained; which means that no one should have it.

A way out of this dilemma is shaping up in the Histadrut, of respectably abolishing the allowance, as required by the Barak report, but of raising civil service wages at the same time. This would save everybody's face, by restoring equality, without reducing anybody's pay packet after all.

The loser, of course, would be the nation at large, which must include — in the longer term — the civil servants themselves. Increasing their wages by 6 per cent (the figure mentioned) would cost, among other things, IL2,500m., if all the linked occupations are included.

Representatives round the bargaining-table should take into account that this IL2,500m. may exist in the form of banknotes, which can be printed at will. But it does not exist in the form of goods or services. Any wage rise would be nominal. The destruction of a wage policy aimed at giving preference to production workers would, on the other hand, be very real.

How to apply common sense in the face of organized opposition is a baffling problem at the easiest of times. But common sense is not such a rare commodity as it appears. If the 18,000 beneficiaries of this wage distortion are made to see quite clearly that they have no chance of retaining it, the effort they will put out to do so will be correspondingly less; which is the best that can be expected.

## The benefits of European unity

THE FRENCH Government's decision to float the franc is a step away from European unity. It shows again how difficult it is to knead nations together when each retains its separate sovereignty and pursues its own policies.

Instead of narrowing, the gap in European living standards is widening — between Germany at one end of the scale, whose policies are such that output keeps surging, and Britain or Italy at the other end, whose conditions are close to static.

It is likely that unity is more beneficial to Europe than division, because it increases safety and makes the constituent states less vulnerable. Medium-sized powers are prone to seek the temporary advantage, to jostle for position, to make tactical alliances, to placate potential supporters — whether it is Britain on the domestic front, compromising with its trade unions, or France on the international scene, compromising with Arab Governments.

The idea of a united Europe is especially well represented by the European Commission, whose President, M. Francois Ortoli, has just completed the first visit in Israel by a person holding his office. No wonder the Commission take a more dispassionate view of continental interests than, say, the European Council of Ministers, which stands for a "Europe of nationalities."

The latter is influenced by individual Foreign Ministers with an immediate axe to grind. The Europeans proper articulate a long-range notion of the common weal. European unity could bring stability, both in internal and external affairs. And that must be beneficial to the world at large — Israel included.

## ISRAEL PRESS

### Sadat 'expression of loyalty'

HA'ARETZ (Independent) writes that Sadat's move to abolish the friendship pact with the Soviet Union was made with "great dramatization" in order to dispel any doubts as to his loyalty towards the West, whilst trying to convince the Egyptian army officers that the pro-American swerve enjoys wide public support, both in the Egyptian Parliament as well as from the man in the street. The paper feels that Sadat would not have dared to take this step without clear-cut promises from the American Administration that the U.S. will ensure that Soviet

arms are replaced by their U.S. equivalent. DAVAR (Histadrut) points out that Sadat's move away from Moscow began as far back as 1972, when he expelled the Soviet technicians from Egypt. Since the Yom Kippur war Sadat has quite openly crossed over into the American-influenced sphere, due to his anti-Communist approach, and prompted by the wish to neutralize the U.S. in the Middle East conflict. He realized that only through America would he be able to regain territories lost by Nasser in the Six-Day War.

## VIEWPOINT

DRAWING UP a municipal budget is by no means as complicated as putting together a national budget. There are no defence expenditures to worry about, no overall economic policy to hammer out, and very little scope for policy shaping. City operational budgets can change very little in municipal affairs. At best they can ensure that existing services are not curtailed.

Our budget is in a straitjacket before it is even born. It is how a member of the Finance Committee of the Tel Aviv City Council once put it. The general form of the budget is pre-determined by factors over which the City Fathers have very little control.

The trouble is that every year sizable portions of the operational budget must be allocated to such "non-productive" expenditures as re-paying loans obtained years ago. Out of the IL4,000m. operational budget now being considered by the Tel Aviv municipal executive for the 1976-77 fiscal year, IL300m. will go to paying municipal debts, some of which were incurred more than a decade ago. Many of these debts are linked to the cost-of-living index.

By far the biggest chunk of the budget — 41 per cent — goes for salaries. The municipal payroll, it is generally agreed, is grossly inflated, although no one in City Hall is ready to cite precise figures. The Labour-dominated Municipal Employees Union is all-powerful, and the Likud city administration has been walking on a labour-relations tightrope since it assumed office two years ago: none of its members is interested in tackling the union if this can be avoided.

Unofficially, however, it is estimated that Tel Aviv could do with as many as 2,000 fewer municipal employees and not feel the difference. (At present the municipal treasury pays the salaries

of nearly 12,000 employees, including teachers.) Many employees have long ceased to earn their keep. Not only are there too many persons in administrative jobs, but even in the sanitation department, for example, there are workers who for reasons of poor health or age can no longer function effectively. As many as one third of the sanitation men may be absent from work on a given day.

THERE IS not much the city can do about this. The union would surely declare a strike if the city attempted to reduce its payroll to any substantial degree. The lesson of the Mayor's attempt last year to dismiss 18 temporary cleaning women has not been lost on the administration. At the time, the union, with the full backing of the Tel Aviv Labour Council, declared a strike that paralysed City Hall. Though they did not have tenure, the 18 women could not be fired.

The union has been just as powerful in similar skirmishes. It has shown the administration that without the union's blessing employees cannot be shifted from departments in which they are superfluous to others that need their services. Even the attempt to put an end to moonlighting by employees on city time aroused an outcry by the union because of the use of private detectives to collect the evidence. Thus the city will expend nearly IL420m. this year on salaries without really being able to do anything meaningful in the way of streamlining its payroll. The city has managed to do away with 194 posts this year, mostly by not filling vacancies. But

# The straitjacket budget

Two thousand of Tel Aviv's 12,000 municipal employees could be fired, with no noticeable effect on the level of services, writes Post reporter SARAH HONIG in this analysis of budget making in Israel's largest city.

at the same time it has hired 194 new employees, mainly teachers, sanitation workers and social workers. It is only the budget left-overs, amounting to no more than IL300m., that the municipality can actually use to run the city. For a city such as Tel Aviv, which daily serves a population more than twice the number of its own inhabitants, this leaves little room for creativity and innovation in policy formulation.

When the time comes to divide up this very small slice of the municipal pie, the haggling begins. When submitting their requests the various departments usually detail new plans. The city treasury examines and evaluates the various proposals, and usually a good deal of bargaining is involved. Occasionally the two sides reach agreement, but more often the differences remain un-

resolved and the matter is brought before the city executive and in the end it is really up to the Mayor to decide on priorities. So a good deal depends on what a particular Mayor considers important.

MAYORS Mordechai Namir and Yehoshua Rabinowitz, both of whom operated in conditions of comparative prosperity, tended to place much emphasis on the physical development of Tel Aviv. During their administrations the city took a great leap forward, with the construction of projects ranging from the sea-side hotel row to the university. The present administration considers that much of that expenditure comes under the head of luxury and terms many of the buildings examples of "prestige construction." Thus, despite pressures from the joint city-government Atarim company, the municipality this year will continue to keep the plans for the marina beach-front entertainment and amusement centre (evolved during the last administration) in deep freeze. Priority will go instead to what Mayor Lahat calls "the big little things that determine the quality of daily life in the city for the average resident. Improved services are more important than museums, and more frequent sweeping-up on Allenby Road and Rehov Dizengoff are infinitely more important than the infra-structure for another hotel on Rehov Hayarkon."

The new operational budget will include only IL23m. for new services. Of this some IL6m. will go for 78 more sanitation workers and for engaging the services of a private

sanitation contractor to clean up the city on the Sabbath. "This is what our priorities find expression," municipal spokesman Amihai Shapira explains. "We are putting considerable emphasis on the city's appearance, and so IL7m. of IL23m. earmarked for improvements will be used to renovate school buildings. Some of them are in a atrocious state."

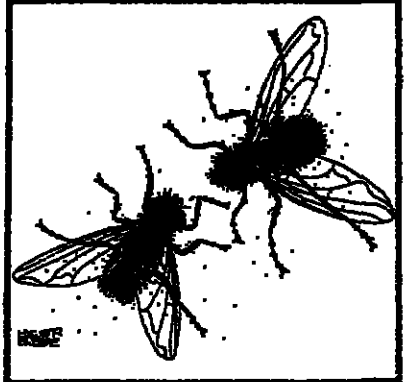
ANOTHER IL6m. will be used to take on additional social workers and youth instructors. Programmes for slum youngsters are to be expanded, and Friday-night activities for the youth will be undertaken. This is usually a "dead night," very little going on, and "we will take as many kids as we can off the street corners and give them a constructive and enjoyable way to spend the evening," Shapira says.

Instead of proceeding with "more grandiose" facets of the Netivei Ayalon projects, such as the construction of the highway along the eastern end of the city in the Ayalon creek-bed, it is planned to "take the more realistic and feasible parts of the project, such as the construction of overpasses at junctions that are usually so congested as to create traffic bottlenecks during rush-hour traffic." "For the ordinary Tel Avivian this will mean a tangible improvement," Shapira believes.

No city in Israel can raise all its funds it needs from its own sources of revenue, and Tel Aviv is no exception. It will depend on the Government for IL216m. of its IL236m. budget. The only consolation is in terms of percentages the deficit will decrease in the coming year. While in the fiscal year that ended March 31, the IL174.2m. deficit accounted for 23 per cent of IL760m. budget, in the 1976-77 year the deficit will make up only 21 per cent of the budget.

# A HISTORY OF SATIRE

WITH PREJUDICE  
ALEX BERLYNE



"Your humans are undone." (An example of "Private Eye" humour.)

image was needed to replace the "old man sitting on a throne." "Private Eye" soon dreamed up an advertising agency's preliminary report on the subject suggesting that he should be projected as "someone in his 30s, a sexually tolerant, intellectually tolerant man... living in Hampstead." "Observer" reading, politically aware... a lover of Continental films and at the same time appreciates the Beatles. He is comfortable off but is aware of the many troubles confronting the world today."

SATIRE has a long history. Elijah the Prophet indulged in it at the expense of the priests of Baal when their sacrifice was not consumed, suggesting that their god "is missing, or he is gone aside or he is on a journey or peradventure he sleepeth and must be wakened." This is that special brand of humour described by Koestler as being situated on the line of intersection between the sublime and the trivial.

Satirists like Horace were "telling the truth in jest" while those like Juvenal loved to wound and to prick mankind's vain conceits. Swift believed that evil was rooted in man's nature, and in the structure of

society, and therefore he deserved only hatred and contempt for his pretensions and hypocrisy.

Pope foretold, in his "Dunciad," the coming of a new Dark Age brought about by human pride, selfishness and stupidity and did it superbly well in rhyming couplets.

And now a latterday Pope has appeared in the person of the Australian writer Clive James who has just had a go at London's Beautiful People in his 1,800 line poem "The Fate of Felicity Park (Jonathan Cape)," in which he pillories "Lord Arnold Fatman, a sage; Mary Quim, a dressmaker; Ken Onan, sometime critic, a libertine; Harold Half-Pint, an elliptical playwright" and many other thinly disguised celebrities and "personalities."

His style may be gauged from this description of Jonathan Miller, medical practitioner, author and film and stage director: "Imagine, if you will be the Brothers Mayo/Combined in partnership with Galileo/Imagine, if you can the mind of Plato/Combined with every IBM in NATO/Imagine, if you dare, that Leonardo/Wore elevator shoes like the Mikado..."

THE AMERICAN practitioners of the art are frequently disguised as stand-up comics.

Mort Sahl once referred to the appointment of Robert Kennedy as Attorney General with the throwaway line "Little Brother is Watching You." Sahl was shocked by the publication of the Yalta papers and suggested presciently, that they should be put out in a loose-

leaf binder so that "new betrayals could be added as they came along." Bob Newhart, Lenny Bruce, Shelley Berman have all made the mark as satirists in the age-old tradition but the crown must undoubtedly go to Woody Allen who is capable of the most outrageous leaps of the imagination binding two unlikely subjects together in a manner which seems preordained.

In his "Hasidic Tales," he tells of a Reb Yekel of Zanzibar dreamed of buried treasure at Yalta set out in search and promptly appeared for three years.

When found he told the following story: "Three days out of Zanzibar was set upon by wild nomads. When they learned he was Jewish they forced him to alter all their jackets and take in their trousers."

THE LOCAL product, TV's Mr. Roach, could learn a lot from British and the Americans. He is from doctrinaire left-wing writing, regular contributor once had the unique distinction of having his stupidity and coarseness "described by the Supreme Court, being of 'unparalleled stupidity and coarseness'" tends to rely on rage and passion instead of wit. It is frequent, obscure, like a bad lecturer, who wields a club instead of a scalpel.

The producer, Mordechai Kirshenbaum, needs reminding that, without humour, satire is ineffective and without craftsmanship it is soon reduced to cliché.

Most of all, it needs to broaden its range of targets. Mr. Rabin is rather colourless presents immediate problems for satirist. Why not zero in on the believable pronouncements of Meir Dabeh, M.E.?

## READERS' LETTERS

### TAX REFORM

To the Editor of The Jerusalem Post Sir, — I wish to propose a personal tax system premised on the following: every person (family unit) is expected to pay tax with the provision that, beyond a certain income, that person (family) has met his tax obligations and is fully exempt from further personal income tax. (This may be modified by a low rate of e.g. 10 per cent.)

Initially, this would mean that the tax revenue from those earning more than the set income might be lost. This, I feel, will be more than offset by increased output, income and resultant increased tax from the remainder of the population who will now have a strong added incentive to produce and earn more. The money from those currently earning more than the set income will also not be lost, since it will either enter the economic stream in the form of absorbing the output of others, or go into saving or investment instead of being hoarded.

The maximum tax would be a function of family size and some other key variables. The beauty of the system would be that books could be dispensed with for all individuals willing to pay the maximum tax. And for all enterprising individuals, the sky would be the limit. And on their coattails, many others would be able to hitch rides.

ZALMAN LOTTNER  
Petah Tikva.

### ELIAT

To the Editor of The Jerusalem Post Sir, — I beg to differ with the opinion of Mr. Noulam concerning entertainment in Eliat (February 28). Here is what Eliat has to offer: Three times a week, film showings of the cinema-theatre in various hotels — free of charge. Twice a week, an afternoon tea with an entertainment programme — free of charge. Once a week, a chess and wine party with a programme for IL15 all inclusive. Once a week, a special evening with a programme "Guest of the week raffle," including first drink for IL10. All these activities are organized and paid for by the Eliat Tourist Services Association. I am not mentioning six commercial piano bars, etc. etc.

As to his claim that "no tourist thinks of coming here a second time," I have met many tourists who are old-time friends of Eliat and return here every year — some of them for the seventh or eighth time.

I agree with Mr. Noulam that the town could be cleaner, but if he comes from New York, he should know something about the problems of keeping a town clean, and we are doing our best.

All in all, Mr. Noulam's criticism is a very personal view indeed — not even a good word for the sun, sea and scenery.

Y. PRI-GAL  
Eilat.

### GENERAL OBASANJO

To the Editor of The Jerusalem Post Sir, — As a Nigerian, I feel that your description of General Olusegun Obasanjo, the new Nigerian head of state, is wrong. In your report of February 15, you write that he is a shy man and the photograph you published of him in your issue of February 16 makes him appear shy. But I need to know him and he is not a shy person. He is a strong personality always ready to express his ideas, even at the risk of his life. That is why he is loved and respected by many Nigerians regardless of religious or tribal differences.

ROBERTSON BOTIMI ABIOLA  
Kibuts Migav-Am.

### BRAVO

To the Editor of The Jerusalem Post Sir, — Bravo for the noteworthy improvements in your Overseas Weekly edition: lively, good style, improved format and art work. I am especially pleased that you are providing more news pertinent to your overseas readers, with less emphasis on the endless internal squabbles.

ETHEL P. HORWITZ  
Williamstown, Mass.

### JEWISH STATE

To the Editor of The Jerusalem Post Sir, — Congratulations to David Krivine on his article, "Defining the Jewish State" (February 19). How refreshing to have some clear thinking on the subject for a change.

ESTHER SHAMASH  
Jerusalem.

### BAKED CAR PAINT

Especially metallic, gold and red colours. Low Bake 80° oven-baked paint, durable gloss.  
Body and accident repairs.  
Mitzley Zviash, Klyat Arish,  
Petah Tikva, Tel. 02-910000

**WOMAN**  
January 17, 1976 Issue  
**WOMAN'S OWN**  
January 17, 1976 Issue  
**WOMAN'S WEEKLY**  
December 20, 1975 Issue  
sole distributor  
**Steimatzky's**

**Commemorative Coins and Official State Medals**

An enduring memento of your visit  
The perfect gift for your friends and business associates

Visit our showroom:  
JERUSALEM:  
5 Rehov Ahad Ha'am  
Tel. 02-68105/6/7/8

**ISRAEL GOVERNMENT COINS AND MEDALS CORPORATION**

**NEW!!**  
**Gallery International**

For Men Who Love Life  
Fiction — Articles of special interest — humour — people and Provocative Pictorials

Available at newsstands  
**BRONFMAN'S AGENCY LTD**

**SAVE MONEY! BEAT THE V.A.T!**

Order your Jerusalem Post now before the introduction of Value Added Tax.

Every subscription received prior to the introduction of Value Added Tax will be honoured at today's rates. You will save most by taking out a year's subscription. Every day the paper is delivered to your door is another day in which you will have saved money. That's a fine way to start the morning.

Fill in the form below and mail it today with your cheque to The Jerusalem Post, P.O.B. 81, Jerusalem.

Yes, I want to beat VAT. Please deliver The Jerusalem Post to my door every morning (except Saturdays and Holidays).

My cheque for IL..... which is enclosed.

My name: \_\_\_\_\_

My address: \_\_\_\_\_

Town or village: \_\_\_\_\_

Tel. \_\_\_\_\_

Rates: 1 year: IL580 6 months: IL285 3 months: IL147